

2 § 806

THE CONGRESS

THE CONGRESS

4 9 000

tion as par. (1) substituted "Subject to the provisions of paragraph (2), the Board" for "The Board" struck out "from sources other than the Federal Government, after 'and accept', redrafted former par. (1) and (2) as subpars. (A) and (B) in subject: (A) substituted 'Program or a specific regional or local program; and' for 'Program, or', and added par. (2).

Subsec. (b). Pub. L. 100-674, § 2(c)(2), added subsec. (b). Former subsec. (b) was redesignated (c).

Subsec. (c) to (h). Pub. L. 100-674, § 2(c)(2)(A), redesignated former subsec. (b) to (g) as (c) to (h), respectively.

Subsec. (i) to (l). Pub. L. 101-525, § 7(b)(2), redesignated former subsec. (c) to (h) as (i) to (l), respectively.

1985 Amendment. Subsec. (c). Pub. L. 99-161 added "The Board may permit donors to use the name of the Board or the name 'Congressional Award Program' in advertising."

1988 Amendment. Heading, Pub. L. 100-674, § 2(c)(1), substituted "Powers, functions, and limitations" for "Powers and limitations of Board".

Legislative History. For legislative history and purpose of Pub. L. 99-161, see 1985 U.S. Code Cong. and Adm. News, p. 777.

§ 807. Audits and evaluation and financial supervision over Board, etc.

(a) Annual audits by Comptroller General: access to books, documents, papers and records

The financial records of the Board and of any corporation established under section 806(i) of this title shall be audited annually by the Comptroller General of the United States (hereinafter in this section referred to as the "Comptroller General"). The Comptroller General, or any duly authorized representative of the Comptroller General, shall have access for the purpose of audit to any books, documents, papers, corporation) which, in the opinion of the Comptroller General, may be pertinent to the Congressional Award Program.

(b) Annual report to Congress on audit results

The Comptroller General shall submit to appropriate officers, committees, and subcommittees of the Congress, by May 15th of each calendar year, a report on the results of the audit of the financial records and on any such additional areas as the Comptroller General determines deserve or require evaluation.

(As amended Pub. L. 99-161, § 4(g), Nov. 25, 1985, 99 Stat. 935; Pub. L. 100-674, § 2(e), Nov. 17, 1988, 102 Stat. 3898; Pub. L. 101-525, § 8, Nov. 6, 1990, 104 Stat. 2308.)

Historical and Statutory Notes

1990 Amendment. Subsec. (a). Pub. L. 101-525, § 8(1), substituted section 806(i) of this section for "section 806(h) of this section" and "annually" for "at least biennially".

Subsec. (b). Pub. L. 101-525, § 8(2), added subsec. (b) and struck out former subsec. (b), which required the audit performed to contain assessments of the adequacy of fiscal control and funds accountability procedures and property of expenses.

Subsec. (c). Pub. L. 101-525, § 8(2), struck out subsec. (c), which required in the report on the first audit after Nov. 25, 1985, the Comptroller General include an evaluation of the programs and activities under this chapter and specified the contents of such evaluation.

Subsec. (d). Pub. L. 101-525, § 8(2), struck out subsec. (d), which directed that the report on the

§ 808. Termination

The Board shall terminate October 1, 1992.

(As amended Pub. L. 99-161, § 3, Nov. 25, 1985, 99 Stat. 934; Pub. L. 100-674, § 2(d), Nov. 17, 1988, 102 Stat. 3897; Pub. L. 101-525, § 2(a), Nov. 6, 1990, 104 Stat. 2305.)

Historical and Statutory Notes

1990 Amendment. Pub. L. 101-525 substituted provisions directing that the Board terminate on October 1, 1992, for former provisions which had

compliance and verification of information, and mandated the dissolution of corporations established by the Board prior to the Board's termination.

1985 Amendment. Pub. L. 99-161 substituted "on November 16, 1988" for "six years after November 16, 1979".

1988 Amendment. Section 2(b) of Pub. L. 99-161 provided that: "During the period of

CHAPTER 20—EMERGENCY POWERS TO ELIMINATE BUDGET DEFICITS

SUBCHAPTER I—ELIMINATION OF DEFICITS IN EXCESS OF MAXIMUM DEFICIT AMOUNT

Sec. 900. Statement of budget enforcement through sequestration; definitions.

(a) Omitted.

(b) General statement of budget enforcement through sequestration.

(c) Definitions.

(d) Enforcing discretionary spending limits.

(e) Fiscal years 1991-1995 enforcement.

(f) Adjustment to discretionary spending limits.

(g) Enforcing pay-as-you-go.

(h) Fiscal years 1992-1995 enforcement.

(i) Sequestration; look-back.

(j) Eliminating a deficit increase.

(k) OMB estimates.

(l) Emergency legislation.

(m) Enforcing deficit targets.

(n) Excess deficit margin.

(o) Dividing the sequestration.

(p) Defense.

(q) Non-defense.

(r) Baseline assumptions; party-year appropriations.

(s) Adjustments to maximum deficit amounts.

(t) Treatment of Deposit Insurance.

(u) Reports and orders.

(v) Timetable.

(w) Optional adjustment of maximum deficit.

(x) Sequestration preview reports.

(y) Notification regarding military personnel.

(z) Sequestration update reports.

(aa) Within-session sequestration reports and orders.

(ab) GAO compliance report.

(ac) Low-growth report.

(ad) Economic and technical assumptions.

(ae) Social security benefits and tier 1 railroad retirement benefits.

(af) Veterans programs.

(ag) Earned income tax credit.

(ah) Net interest.

(ai) Non-defense unobligated balances.

(aj) Certain program bases.

(ak) Other programs and activities.

(al) Low-income programs.

(am) Identification of program.

(an) Exceptions, limitations, and special rules.

(ao) Automatic spending increases.

(ap) Effect of orders on the guaranteed student loan program.

(aq) Treatment of foster care and adoption assistance programs.

(ar) Special rules for Medicare program.

(as) Community and migrant health centers, Indian health services and facilities, and veteran's medical care.

(at) Treatment of child support enforcement program.

(au) Federal pay.

(av) Treatment of Federal administrative expenses.

(aw) Treatment of payments and advances made with respect to unemployment compensation programs.

(ax) Community Credit Corporation.

(ay) Special rules for the JOBS portion of AFDC.

(az) Repealed.

(ba) The baseline.

(bb) In general.

(bc) Direct spending and receipts.

(bd) Discretionary appropriations.

(be) Sale of assets or prepayment of loan or growth.

(bf) Suspension in the event of low growth report.

(bg) Suspension of sequestration procedures.

(bh) Restoration of sequestration procedures.

(bi) Introduction of Presidential order.

(bj) Introduction of joint resolution.

(bk) Procedures for consideration of joint resolutions.

(bl) Flexibility among defense programs, projects, and activities.

(bm) Reductions beyond amount specified in presidential order.

(bn) Report and joint resolution required.

(bo) Introduction of joint resolution.

(bp) Form and title of joint resolution.

(bq) Calendar and consideration of joint resolution in the Senate.

(br) Debate of joint resolution; motions.

(bs) Amendment of joint resolution.

October 1, 1990, through the date of the enactment of this section [Nov. 6, 1990], all actions and functions of the Congressional Award Board under the Congressional Award Act (2 U.S.C. 801 et seq.) [this chapter] shall have the same effect as though no lapse or termination of the Board ever occurred."

Legislative History. For legislative history and purpose of Pub. L. 99-161, see 1985 U.S. Code Cong. and Adm. News, p. 777.

907c. Flexibility among defense programs, projects, and activities.

909. Repealed.

(f) Vote on final passage of joint resolution.

(a) In general.
(b) Exception.

(g) Conference reports.

SUBCHAPTER II—OPERATION AND REVIEW

907d. Special reconciliation process.

921. Revenue estimates.

(a) Reporting of resolutions and reconciliation bills and resolutions, in the Senate.

(a) Expedited review.
(b) Expedited review.
(c) Expedited consideration.
(d) Noncompliance with sequestration procedures.

908. Modification of Presidential order.

(e) Timing of relief.
(f) Alternative procedures for the joint reports of the Directors.

(a) Introduction of joint resolution.

(g) Preservation of other rights.
(h) Economic data and assumptions.

SUBCHAPTER I—ELIMINATION OF DEFICITS IN EXCESS OF MAXIMUM DEFICIT AMOUNT

§ 900. Statement of budget enforcement through sequestration; definitions

(a) (Omitted)

(b) General statement of budget enforcement through sequestration

This subchapter provides for the enforcement of the deficit reduction assumed in House Concurrent Resolution 310 (101st Congress, second session) and the applicable deficit targets for fiscal years 1991 through 1995. Enforcement, as necessary, is to be implemented through sequestration—

- (1) to enforce discretionary spending levels assumed in that resolution (with adjustments as provided hereinafter);
- (2) to enforce the requirement that any legislation increasing direct spending or decreasing revenues be on a pay-as-you-go basis; and
- (3) to enforce the deficit targets specifically set forth in the Congressional Budget and Impoundment Control Act of 1974 (with adjustments as provided hereinafter) applied in the order set forth above.

(c) Definitions

As used in this subchapter:

(1) The terms "budget authority", "new budget authority", "outlays", and "deficit" have the meanings given to such terms in section 3 of the Congressional Budget and Impoundment Control Act of 1974 [2 U.S.C.A. § 622] (but including the treatment specified in section 907(b)(3) of this title of the Hospital Insurance Trust Fund) and the terms "maximum deficit amount" and "discretionary spending limit" shall mean the amounts specified in section 601 of this Act [2 U.S.C.A. § 665] as adjusted under sections 901 and 903 of this title.

(2) The terms "sequester" and "sequestration" refer to or mean the cancellation of budgetary resources provided by discretionary appropriations or direct spending law.

(3) The term "direct" means, for any fiscal year, the amount (if any) by which new budget authority or outlays for that year (within a category of discretionary appropriations) is above that category's discretionary spending limit for new budget authority or outlays for that year, as the case may be.

(4) The term "category" means:

(A) For fiscal years 1991, 1992, and 1993, any of the following subsets of discretionary appropriations: defense, international, or domestic.
(B) Discretionary appropriations in each of the three categories shall be those so designated in the joint statement of managers accompanying the conference report on the Omnibus Budget Reconciliation Act of 1990. New accounts or activities shall be categorized in consultation with the Committees on Appropriations and the Budget of the House of Representatives and the Senate.

(B) For fiscal years 1994 and 1995, all discretionary appropriations. Contributions to the United States to offset the cost of Operation Desert Shield shall not be counted within any category.

(5) The term "baseline" means the projection (described in section 907 of this title) of current-year levels of new budget authority, outlays, receipts, and the surplus or deficit into the budget year and the outyears.

(6) The term "budgetary resources" means—

(A) with respect to budget year 1991, new budget authority, unobligated balances, new loan guarantee commitments or limitations, new direct loan obligations, commitments, or limitations, direct spending authority, and obligation limitations; or

(B) with respect to budget year 1992, 1993, 1994, or 1995, new budget authority, unobligated balances, direct spending authority, and obligation limitations.

(7) The term "discretionary appropriations" means budgetary resources (except to fund direct-spending programs) provided in appropriation Acts.

(8) The term "direct spending" means—

(A) budget authority provided by law other than appropriation Acts;
(B) entitlement authority; and
(C) the food stamp program.

(9) The term "current" means, with respect to OMB estimates included with a budget submission under section 1105(a) of Title 31, the estimates consistent with the economic and technical assumptions underlying that budget and with respect to estimates made after submission of the fiscal year 1992 budget that are not included with a budget submission, estimates consistent with the economic and technical assumptions underlying the most recently submitted President's budget.

(10) The term "real economic growth", with respect to any fiscal year, means the growth in the gross national product during such fiscal year, adjusted for inflation, consistent with Department of Commerce definitions.

(11) The term "account" means an item for which appropriations are made in any appropriation Act and, for items not provided for in appropriation Acts, such term means an item for which there is a designated budget account identification code number in the President's budget.

(12) The term "budget year" means, with respect to a session of Congress, the fiscal year of the Government that starts on October 1 of the calendar year in which that session begins.

(13) The term "current year" means, with respect to a budget year, the fiscal year that immediately precedes that budget year.

(14) The term "outyear" means, with respect to a budget year, any of the fiscal years that follow the budget year through fiscal year 1995.

(15) The term "OMB" means the Director of the Office of Management and Budget.

(16) The term "CBO" means the Director of the Congressional Budget Office.

(17) For purposes of sections 902 and 903 of this title, legislation enacted during the second session of the One Hundred First Congress shall be deemed to have been enacted before the enactment of this Act.

(18) As used in this subchapter, all references to entitlement authority shall include the list of mandatory appropriations included in the joint explanatory statement of managers accompanying the conference report on the Omnibus Budget Reconciliation Act of 1990.

(19) The term "deposit insurance" refers to the expenses of the Federal Deposit Insurance Corporation and the funds it incorporates, the Resolution Trust Corporation, the National Credit Union Administration and the funds it incorporates, the Office of Thrift Supervision, the Comptroller of the Currency Assessment Fund, and the RTC Office of Inspector General.

(20) The term "composite outlay rate" means the percent of new budget authority that is converted to outlays in the fiscal year for which the budget authority is provided and subsequent fiscal years, as follows:

(A) For the international category, 46 percent for the first year, 20 percent for the second year, 16 percent for the third year, and 8 percent for the fourth year.

(B) For the domestic category, 53 percent for the first year, 31 percent for the second year, 12 percent for the third year, and 2 percent for the fourth year.

(21) The sale of an asset means the sale to the public of any asset, whether physical or financial, owned in whole or in part by the United States. The term "prepayment of a loan" means payments to the United States made in advance of the schedules set by law or contract when the financial asset is first acquired, such as the prepayment to the Federal Financing Bank of loans guaranteed by the Rural Electrification Administration. If a law or contract allows a flexible payment schedule, the term "in advance" shall mean in advance of the slowest payment schedule allowed under such law or contract.

(Pub.L. 99-177, Title II, § 250, as added Pub.L. 101-508, Title XIII, § 1310(a), (b), Nov. 5, 1990, 104 Stat. 1388-574, 1388-589.)

Effective and Termination Dates of Section

For effective and termination dates of section by section, 275 of Pub.L. 99-177, see *Effective and Termination Dates* note set out below.

Historical and Statutory Notes

References in Text. The Congressional Budget and Impoundment Control Act of 1974, referred to in subsec. (b)(3) and (c)(1) is Pub.L. 93-344, July 12, 1974, 88 Stat. 297, as amended, which enacted chapters 17, 17A and 17B, and section 190a-3 of this title and sections 11a, 11c, 11d, 1020a of former Title 31, Money and Finance, 1153, and 1154 of former Title 31, section 105 of Title 1, General Provisions, sections 190b and 190d of this title, repealed sections 371 and 581c-1 of former Title 31, and sections 66 and 81 of this title, and enacted provisions set out as notes under sections 190a-1, 621, 632 and 632 of this title, section 105 of Title 1, and section 1020 of former Title 31. Section 3 of such Act, referred to in subsec. (c)(1), is classified to section 665 of this title. Section 601 of such Act, also referred to in subsec. (c)(1), is classified to section 665 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 621 of this title and Tables.

The Omnibus Budget Reconciliation Act of 1990, referred to in subsec. (c)(4)(A) and (18), is Pub.L. 101-508, Nov. 5, 1990, 104 Stat. 1388. For complete classification of this Act to the Code, see Tables.

The enactment of this Act, referred to in subsec. (c)(17), probably means the date of enactment of Pub.L. 101-508, Title XIII, Nov. 5, 1990, 104 Stat. 1388-573, which was approved Nov. 5, 1990.

Codification. Subsection (a) of this section, consisting of a table of contents for part C of the Balanced Budget and Emergency Deficit Control Act of 1995, this subchapter, as amended by section 1310(a) of Pub.L. 101-508, has been omitted for purposes of codification.

Effective and Termination Dates. Section 275 of Pub.L. 99-177, as amended Pub.L. 100-119, Title I, § 106(c), Title II, §§ 2100(b), Sept. 29, 1987, 101 Stat. 780, 787; Pub.L. 101-508, Title XIII, § 1311(2)(b), 1320(b), Nov. 5, 1990, 104 Stat. 1388-608, 1388-619, provided that:

"(a) In general.—

101-508) may be cited as the "Budget Enforcement Act of 1990."

Short Title of 1987 Amendment. Section 101(b) of Pub.L. 100-119 provided that: "This title [enacting section 908 of this title, amending sections 622, 632, 642, 901 to 907, and 922 of this title and section 1105 of Title 31, Money and Finance, enacting a provision set out as a note under section 1395aw of Title 42, The Public Health and Welfare, and amending provisions set out as notes under this section and sections 1320c-8 and 1395aw of this title] may be cited as the 'Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.'"

Short Title. Section 200(a) of Pub.L. 99-177 provided that: "This title [enacting this chapter and sections 634 to 636 of this title, amending sections 602, 622, 632, 651 to 642, and 651 to 653 of this title, sections 1104, 1105, 1106, and 1109 of Title 31, Money and Finance, and section 911 of Title 42, The Public Health and Welfare, repealing section 661 of this title, and enacting provisions set out as notes under this section and amending provisions set out as a note under section 621 of this title] may be cited as the 'Balanced Budget and Emergency Deficit Control Act of 1993.'"

National Economic Commission. Pub.L. 100-203, Title II, § 2101-2106, Dec. 22, 1987, 101 Stat. 1330-33 to 1330-36, provided that: "Sec. 2101. Establishment of Commission. "There is established a commission to be known as the National Economic Commission (in this subtitle referred to as the 'Commission')."

"(a) Appointment of Commission. The Commission shall be initially composed of 12 members, appointed not later than March 1, 1988. After the meeting of the Presidential Electors in December 1988, the Commission shall be expanded to 14 members. The members shall be as follows:

"(1) 2 citizens of the United States, appointed by the President.

"(2) 1 Senator and 2 citizens of the United States, appointed by the President pro tempore of the Senate upon the recommendations of the Majority Leader of the Senate.

"(3) 1 Senator and 1 citizen of the United States, appointed by the President pro tempore of the Senate upon the recommendation of the Minority Leader of the Senate.

"(4) 1 Member of the House of Representatives and 2 citizens of the United States, appointed by the Speaker of the House of Representatives.

"(5) 1 Member of the House of Representatives and 1 citizen of the United States, appointed by the Minority Leader of the House of Representatives.

"(6) 2 citizens of the United States, 1 of whom is a Democrat and 1 of whom is a Republican, appointed by the President-elect as established by the allocation of electoral college votes in the Presidential election of November 8, 1988.

"(b) Additional Qualifications.—

"(1) Individuals appointed under subsection (a)(1) may be officers or employees of the Executive Branch or may be private citizens.

"(2) Individuals who are not Members of the Congress, and are appointed under paragraphs (2) through (6) of subsection (a) shall be individuals who—

"(A) are leaders of business or labor; distinguished academics, State or local government officials, or other individuals with distinctive qualifications or experience; and

"(B) are not officers or employees of the United States.

"(c) Chairperson.—The Commission shall elect a Chairperson from among the members of the Commission.

"(d) Quorum.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

"(e) Voting.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

"(f) Vacancies.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

"(g) Prohibition of Additional Pay.—Members of the Commission shall receive no additional pay, allowances, or benefits by reason of their service on the Commission. Members appointed from among private citizens of the United States may be allowed travel expenses, including per diem, in lieu of subsistence, as authorized by law for persons serving intermittently in the government service to the extent funds are available for such expenses.

"Sec. 2103. Functions of Commission.

"(a) Specific Recommendations.—The Commission shall make specific recommendations regarding the following:

"(1) Methods to reduce the Federal budget deficit while promoting economic growth and encouraging saving and capital formation.

"(2) A means of ensuring that the burden of achieving the Federal budget deficit reduction goals of the United States does not undermine economic growth and is equitably distributed and not borne disproportionately by any one economic group, social group, region or State.

"(b) Final Report.—

"(1) Subject to section 2103(b)(3), the Commission shall submit to the President and to the Congress on March 1, 1989, a final report which shall contain a detailed statement of the findings and conclusions of the Commission, including its recommendations for administrative and legislative action that the Commission considers advisable.

"(2) Any recommendation may be made by the Commission to the President and to the Congress only if adopted by a majority vote of the members of the Commission who are present and voting.

"(3) On February 1, 1989, the President may issue an order extending the date for submission of the final report to September 1, 1989.

"Sec. 2104. Powers of Commission.

"(a) Hearings.—The Commission may, for the purpose of carrying out this subtitle, hold such hearing and sit and act at such times and places, as the Commission may find advisable.

"(b) Rules and Regulations.—The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

"(c) Assistance From Federal Agencies.—

"(1) The Commission may request from the head of any Federal agency or instrumentally such information as the Commission may require for the purpose of this subtitle. Each such agency or instrumentally shall, to the extent permitted by law and subject to the exceptions set forth in section 552 of Title 5, the Freedom of Information Act, furnish such information to the Commission, upon request made by the Chairperson of the Commission.

"(2) Upon request of the Chairperson of the Commission, the head of any Federal agency or instrumentally shall, to the extent possible and subject to the discretion of such head—

"(A) make any of the facilities and services of such agency or instrumentally available to the Commission; and

"(B) detail any of the personnel of such agency or instrumentally to the Commission, on a non-reimbursable basis, to assist the Commission in carrying out its duties under this subtitle, except that any expenses of the Commission incurred under this subparagraph shall be subject to the limitation on total expenses set forth in section 2103(b).

"(c) Mail.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

"(d) Contracting.—The Commission may, to such extent and in such amounts as are provided in appropriation Acts, enter into contracts with State agencies, private firms, institutions, and individuals for the purpose of conducting research or surveys necessary to enable the Commission to discharge its duties under this subtitle, subject to the limitation on total expenses set forth in section 2103(b).

"(e) Staff.—Subject to such rules and regulations as may be adopted by the Commission, the Chairperson of the Commission (subject to the limitation on total expenses set forth in section 2103(b)) shall have the power to appoint, terminate, and fix the compensation (without regard to the provisions of Title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision, or of any other provision of law, relating to the number, classification, and General Schedule rates) of an Executive Director, and of such additional staff as the Chairperson deems advisable to assist the Commission, at rates not to exceed a rate equal to the maximum rate for GS-18 of the General Schedule under section 5332 of such title.

"(f) Advisory Committee.—The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App.).

"Sec. 2105. Expenses of Commission.

"(a) In General.—Any expenses of the Commission shall be paid from such funds as may be available to the Secretary of the Treasury.

"(b) Limitation.—The total expenses of the Commission shall not exceed \$1,000,000.

"(c) GAO Audit.—Prior to the termination of the Commission, pursuant to section 2106, the Comptroller General of the United States shall conduct an audit of the financial books and records of the Commission to determine that the limitation on expenses has been met, and shall include its determination in an opinion to be included in the report of the Commission.

"Sec. 2106. Termination of Commission.

"The Commission shall cease to exist on the date that is 30 days after the date on which the Commission submits its report."

Exercise of Retaining Power. Section 13305 of Pub. L. 101-508 provided that:

"This title and the amendments made by it [Title XIII of Pub. L. 101-508, Nov. 5, 1990, 104 Stat. 1385-573, for distribution of this title to the Code, see Short Title note set out under this section] are enacted by the Congress—

"(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House."

Section 213 of Pub. L. 100-119 provided that: "This Act and the amendments made by this Act [enacting sections 908 and 909 of this title, amending sections 622, 632, 633, 636, 642, 683, 684, 687, 901 to 907, and 922 of this title and sections 1105 and 3101 of Title 31, Money and Finance, enacting provisions set out as notes under sections 602, 621, 686, and 901 of this title and section 1395sw of Title 42, The Public Health and Welfare, amending provisions set out as notes under this section and sections 1370b-8 and 1395sw of Title 42, and repealing provision set out as a note under section 653 of this title], executive and judicial branches of the Government are enacted by Congress—

"(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House."

Section 271(d), formerly 271(c), of Pub. L. 99-177, as redesignated Pub. L. 100-119, Title II, § 2103(a), Sept. 29, 1987, 101 Stat. 787, provided that:

"The provisions of this title [enacting this chapter and sections 654, 655, and 656 of this title, amending sections 602, 622, 631 to 642, and 651

to 653 of this title, sections 1104, 1105, 1106, and 1109 of Title 31, Money and Finance, and section 911 of Title 42, The Public Health and Welfare, repealing section 661 of this title, and enacting provisions set out as notes under this section and section 911 of Title 42], other than those relating to the activities of the executive and judicial branches of the Government, are enacted by the Congress—

"(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House."

Waiver or Suspension of Provisions by Three-Fifths of Senate. Section 271(b) of Pub. L. 99-177, as amended by Pub. L. 100-119, Title II, § 211, Sept. 29, 1987, 101 Stat. 787, provided that: "Sections 3010, 3020(c), 3020(d), 3040(b), 3100(a), and 3110(a) of the Congressional Budget Act of 1974 [sections 6320, 6320(c), 6320(d), 6410(d), 6410(e), and 6420(a) of this title] may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn. This subsection shall not apply to any joint resolution reported or discharged pursuant to section 254(a) of this joint resolution [section 904(a) of this title]."

MEMORANDUM FOR PRESIDENT

AUG. 11, 1988, 53 F.R. 30641.

DELEGATION OF NOTIFICATION AUTHORITY REGARDING DEFENSE PROGRAMS SEQUESTERATION TO DIRECTOR OF OFFICE OF MANAGEMENT AND BUDGET

By the authority vested in me as President of the United States by the Constitution and Section 301 of Title 3 of the United States Code [section 301 of Title 3, the President, I hereby delegate to the Director of the Office of Management and Budget the function of submitting notifications to the Congress required by Section 2510(a)(3)(C) (subsec. (a)(3)(C) of this section) of the Balanced

DELEGATION OF NOTIFICATION AUTHORITY REGARDING DEFENSE PROGRAMS SEQUESTERATION TO DIRECTOR OF OFFICE OF MANAGEMENT AND BUDGET

By the authority vested in me as President of the United States by Section 301 of Title 3 of the United States Code, I hereby authorize the Director of the Office of Management and Budget to submit the notification required by Section 2510(a)(3)(C) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by

the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (subsec. (a)(3)(C) of this section). This memorandum shall be published in the Federal Register.

RONALD REAGAN

Law Review Commentaries

Privatization: Politics, law and theory. Ronald A. Cass. 71 Marquette L. Rev. 449 (1988).
Gramm-Rudman-Holings. Kate Stith. 76 Cal. L. Rev. 593 (1988).

United States 479.
C.J.S. United States § 120.

Library References

Constitutionality 1
Delegation of power 2

Notes of Decisions

1986, 626 F.Supp. 1374, affirmed 106 S.Ct. 3181,
478 U.S. 714, 92 L.Ed.2d 583.

1. Constitutionality

Powers conferred upon Comptroller General as part of deficit reduction process to determine gross amount to be sequestered and specify which particular budget items would be reduced were executive powers which could not constitutionally be exercised by an officer removable by Congress, and therefore process to which they were central could not be implemented, since Congress could not constitutionally provide for legislative veto of those determinations, and thus could not achieve the same result ex ante instead of ex post, prescribing exercise of executive power, instead of invalidating its exercise. *Synar v. U.S.*, D.D.C. 1374, affirmed 106 S.Ct. 3181, 478 U.S. 714, 92 L.Ed.2d 583.

2. Delegation of power

Deficit reduction law requiring President to issue "sequestration" order containing budget reductions specified by Comptroller General in event that deficit exceeded maximum for a particular fiscal year did not delegate excessive powers since it contained sufficient standards to confine administrative discretion in light of specific assumptions to be used in calculating budget base and guidance and limitation by definition, which was given additional meaning by reference to prior administrative and congressional experience in making similar economic productions and calculations. *Synar v. U.S.*, D.D.C. 1986, 626 F.Supp. 1374, affirmed 106 S.Ct. 3181, 478 U.S. 714, 92 L.Ed.2d 583.

§ 901. Enforcing discretionary spending limits

(a) Fiscal years 1991-1995 enforcement

(1) Sequestration

Within 15 calendar days after Congress adjourns to end a session and on the same day as a sequestration (if any) under section 902 of this title and section 908 of this title, there shall be a sequestration to eliminate a budget-year breach, if any, within any category.

(2) Eliminating a breach

Each non-exempt account within a category shall be reduced by a dollar amount calculated by multiplying the baseline level of sequestrable budgetary resources in that account at that time by the uniform percentage necessary to eliminate a breach within that category; except that the health programs set forth in section 906(e) of this title shall not be reduced by more than 2 percent and the uniform percent applicable to all other programs under this paragraph shall be increased (if necessary) to a level sufficient to eliminate that breach. If, within a category, the discretionary spending limits for both new budget authority and outlays are breached, the uniform percentage shall be calculated by—

(A) first, calculating the uniform percentage necessary to eliminate the breach in new budget authority; and

(B) second, if any breach in outlays remains, increasing the uniform percentage to a level sufficient to eliminate that breach.

(3) Military personnel

If the President uses the authority to exempt any military personnel from sequestration under section 903(h) of this title, each account within subfunctional category 051 (other than those military personnel accounts for which the authority provided under section 905(h) of this title has been exercised) shall be further reduced by a dollar amount calculated by multiplying the enacted level of non-exempt budgetary resources in that account at that time by the uniform percentage necessary to offset the total dollar amount by which outlays are not reduced in military personnel accounts by reason of the use of such authority.

(4) Part-year appropriations

If, on the date specified in paragraph (1), there is in effect an Act making or continuing appropriations for part of a fiscal year for any budget account, then

the dollar sequestration calculated for that account under paragraphs (2) and (3) shall be subtracted from—

(A) the annualized amount otherwise available by law in that account under that or a subsequent part-year appropriation; and

(B) when a full-year appropriation for that account is enacted, from the amount otherwise provided by the full-year appropriation.

(5) Look-back

If after June 30, an appropriation for the fiscal year in progress is enacted that causes a breach within a category for that year (after taking into account any sequestration of amounts within that category), the discretionary spending limits for that category for the next fiscal year shall be reduced by the amount or amounts of that breach.

(6) Within-session sequestration

If an appropriation for a fiscal year in progress is enacted (after Congress adjourns to end the session for that budget year and before July 1 of that fiscal year) that causes a breach within a category for that year (after taking into account any prior sequestration of amounts within that category), 15 days later there shall be a sequestration to eliminate that breach within that category following the procedures set forth in paragraphs (2) through (4).

(7) OMB estimates

As soon as practicable after Congress completes action on any discretionary appropriation, CBO, after consultation with the Committees on the Budget of the House of Representatives and the Senate, shall provide OMB with an estimate of the amount of discretionary new budget authority and outlays for the current year (if any) and the budget year provided by that legislation. Within 5 calendar days after the enactment of any discretionary appropriation, OMB shall transmit a report to the House of Representatives and to the Senate containing the CBO estimate of that legislation, an OMB estimate of the amount of discretionary new budget authority and outlays for the current year (if any) and the budget year provided by that legislation, and an explanation of any difference between the two estimates. For purposes of this paragraph, amounts provided by annual appropriations shall include any new budget authority and outlays for those years in accounts for which funding is provided in that legislation that result from previously enacted legislation. Those OMB estimates shall be made using current economic and technical assumptions. OMB shall use the OMB estimates transmitted to the Congress under this paragraph for the purposes of this subsection. OMB and CBO shall prepare estimates under this paragraph in conformance with scorekeeping guidelines determined after consultation among the House and Senate Committees on the Budget, CBO, and OMB.

(b) Adjustments to discretionary spending limits

(1) When the President submits the budget under section 1105(a) of Title 31 for budget year 1992, 1993, 1994, or 1995 (except as otherwise indicated), OMB shall calculate (in the order set forth below) and the budget shall include, adjustments to discretionary spending limits (and those limits as cumulatively adjusted) for the budget year and each outyear through 1995 to reflect the following:

(A) Changes in concepts and definitions

The adjustments produced by the amendments made by Title XIII of the Omnibus Budget Reconciliation Act of 1990 or by any other changes in concepts and definitions shall equal the baseline levels of new budget authority and outlays using up-to-date concepts and definitions minus those levels using the concepts and definitions in effect before such changes. Such other changes in concepts and definitions may only be made in consultation with the Committees on Appropriations, the Budget, Government Operations, and Governmental Affairs of the House of Representatives and Senate.

(B) Changes in inflation

(i) For a budget submitted for budget year 1992, 1993, 1994, or 1995, the adjustments produced by changes in inflation shall equal the levels of discretionary new budget authority and outlays in the baseline (calculated using current estimates) subtracted from those levels in that baseline recalculated with the baseline inflators for the budget year only, multiplied by the inflation adjustment factor computed under clause (ii).

(ii) For a budget year the inflation adjustment factor shall equal the ratio between the level of year-over-year inflation measured for the fiscal year most recently completed and the applicable estimated level for that year set forth below:

For 1990, 1.041
For 1991, 1.052
For 1992, 1.041
For 1993, 1.033

Inflation shall be measured by the average of the estimated gross national product implicit price deflator index for a fiscal year divided by the average index for the prior fiscal year.

(C) Credit reestimates

For a budget submitted for fiscal year 1993 or 1994, the adjustments produced by reestimates to costs of Federal credit programs shall be, for any such program, a current estimate of new budget authority and outlays associated with a baseline projection of the prior year's gross loan level for that program minus the baseline projection of the prior year's new budget authority and associated outlays for that program.

(2) When OMB submits a sequestration report under section 904(g) or (h) of this title for fiscal year 1991, 1992, 1993, 1994, or 1995 (except as otherwise indicated), OMB shall calculate (in the order set forth below), and the sequestration report, and subsequent budgets submitted by the President under section 1105(a) of Title 31, shall include, adjustments to discretionary spending limits (and those limits as adjusted) for the fiscal year and each succeeding year through 1995, as follows:

(A) IRS funding

To the extent that appropriations are enacted that provide additional new budget authority or result in additional outlays (as compared with the CBO baseline constructed in June 1990) for the Internal Revenue Service compliance initiative in any fiscal year, the adjustments for that year shall be those amounts, but shall not exceed the amounts set forth below—

(i) for fiscal year 1991, \$191,000,000 in new budget authority and \$183,000,000 in outlays;
(ii) for fiscal year 1992, \$172,000,000 in new budget authority and \$169,000,000 in outlays;
(iii) for fiscal year 1993, \$183,000,000 in new budget authority and \$179,000,000 in outlays;
(iv) for fiscal year 1994, \$187,000,000 in new budget authority and \$183,000,000 in outlays; and
(v) for fiscal year 1995, \$188,000,000 in new budget authority and \$184,000,000 in outlays; and

the prior-year outlays resulting from these appropriations of budget authority.

(B) Debt forgiveness

If, in calendar year 1990 or 1991, an appropriation is enacted that forgives the Arab Republic of Egypt's foreign military sales indebtedness to the United States and any part of the Government of Poland's indebtedness to the United States, the adjustment shall be the estimated costs (in new budget authority and outlays, in all years) of that forgiveness.

(C) IMF funding

If, in fiscal year 1991, 1992, 1993, 1994, or 1995 an appropriation is enacted to provide to the International Monetary Fund the dollar equivalent, in terms of Special Drawing Rights, of the increase in the United States quota as part of the International Monetary Fund Ninth General Review of Quotas, the adjustment shall be the amount provided by that appropriation.

(D) Emergency appropriations

(i) If, for fiscal year 1991, 1992, 1993, 1994, or 1995, appropriations for discretionary accounts are enacted that the President designates as emergency requirements and that the Congress so designates in statute, the adjustment shall be the total of such appropriations in discretionary accounts designated as emergency requirements and the outlays flowing in all years from such appropriations.

(ii) The costs for operation Desert Shield are to be treated as emergency funding requirements not subject to the defense spending limits. Funding for Desert Shield will be provided through the normal legislative process.

Desert Shield costs should be accommodated through Allied burden-sharing, subsequent appropriation Acts, and if the President so chooses, through offsets within other defense accounts. Emergency Desert Shield costs mean those incremental costs associated with the increase in operations in the Middle East and do not include costs that would be experienced by the Department of Defense as part of its normal operations absent Operation Desert Shield.

(E) Special allowance for discretionary new budget authority

(i) For each of fiscal years 1992 and 1993, the adjustment for the domestic category in each year shall be an amount equal to 0.1 percent of the sum of the adjusted discretionary spending limits on new budget authority for all categories for fiscal years 1991, 1992, and 1993 (cumulatively), together with outlays associated therewith (calculated at the composite outlay rate for the domestic category).

(ii) For each of fiscal years 1992 and 1993, the adjustment for the international category in each year shall be an amount equal to 0.079 percent of the sum of the adjusted discretionary spending limits on new budget authority for all categories for fiscal years 1991, 1992, and 1993 (cumulatively), together with outlays associated therewith (calculated at the composite outlay rate for the international category); and

(iii) if, for fiscal years 1992 and 1993, the amount of new budget authority provided in appropriation Acts exceeds the discretionary spending limit on new budget authority for any category due to technical estimates made by the Director of the Office of Management and Budget, the adjustment is the amount of the excess, but not to exceed an amount (for 1992 and 1993 together) equal to 0.042 percent of the sum of the adjusted discretionary limits on new budget authority for all categories for fiscal years 1991, 1992, and 1993 (cumulatively).

(F) Special outlay allowance

If in any fiscal year outlays for a category exceed the discretionary spending limit for that category but new budget authority does not exceed its limit for that category (after application of the first step of a sequestration described in subsection (a)(2) of this section, if necessary), the adjustment in outlays is the amount of the excess, but not to exceed \$2,500,000,000 in the defense category, \$1,500,000,000 in the international category, or \$2,500,000,000 in the domestic category (as applicable) in fiscal year 1991, 1992, or 1993, and not to exceed \$6,500,000,000 in fiscal year 1994 or 1995 less any of the outlay adjustments made under subparagraph (E) for a category for a fiscal year.

(Pub.L. 99-177, Title II, § 251, Dec. 12, 1985, 99 Stat. 1063, amended Pub.L. 100-119, Title I, § 102(a), Sept. 23, 1987, 101 Stat. 754; Pub.L. 100-203, Title VIII, § 8008(f), Dec. 22, 1987, 101 Stat. 1330-282; Pub.L. 101-508, Title XIII, § 13101(a), Nov. 5, 1990, 104 Stat. 1388-577.)

Effective and Termination Dates of Section

For effective and termination dates of this section by section 275 of Pub.L. 99-177, see Effective and Termination Dates notes set out under section 500 of this title.

References in Text. Title XIII of the Omnibus Budget Reconciliation Act of 1990, referred to in subsec. (b)(1)(A), is Title XIII of Pub.L. 101-508, Nov. 5, 1990, 104 Stat. 1388-573, popularly known as the Budget Enforcement Act of 1990. For complete classification of this Act to the Code, see Short Title note set out under section 900 of this title and Tables.

1987 Amendment. Pub.L. 100-119 completely revised this section by, among other changes relating to due dates of reports, technical and economic assumptions used, items used in determination of reductions, revised estimates and reports, and Presidential flexibility with respect to defense programs, directing that estimates and determinations of excess deficits be made by the Directors of CBO and OMB, including estimates on the amount of net deficit reduction in the budget baseline that has occurred since Jan. 1 of the calendar year in which such fiscal year begins, for fiscal years 1988 through 1993 instead of fiscal years 1986 through 1991, requiring the Director of CBO to issue his report to the Director of

OMB and Congress and the Director of OMB, taking into consideration the report of the Director of CBO, to issue his report to the President and Congress, and among other items to explain any differences between his report and the report of the Director of CBO, and eliminating the role of the Comptroller General in this reporting process.

Subsec. (a)(9)(B). Pub.L. 100-203, § 8003(f), substituted "at current rates, contract authority" for "at current rates, and contract authority", and added provision whereby the authority to provide insurance through the Federal Housing Administration Fund be continued.

Legislative History. For legislative history and purpose of Pub.L. 99-177, see 1985 U.S. Code Cong. and Adm. News, p. 979. See, also, Pub.L. 100-119, 1987 U.S. Code Cong. and Adm. News, p. 739; Pub.L. 100-203, 1987 U.S. Code Cong. and Adm. News, p. 2313-1; Pub.L. 101-508, 1990 U.S. Code Cong. and Adm. News, p. 2017.

§ 902. Enforcing pay-as-you-go

(a) Fiscal years 1992-1995 enforcement

The purpose of this section is to assure that any legislation (enacted after November 5, 1990) affecting direct spending or receipts that increases the deficit in any fiscal year covered by this Act will trigger an offsetting sequestration.

(b) Sequestration: look-back

Within 15 calendar days after Congress adjourns to end a session (other than of the One Hundred First Congress) and on the same day as a sequestration (if any) under section 901 of this title and section 903 of this title, there shall be a sequestration to offset the amount of any net deficit increase in that fiscal year and the prior fiscal year caused by all direct spending and receipts legislation enacted after the date of enactment of this section (after adjusting for any prior sequestration as provided by paragraph (2)). OMB shall calculate the amount of deficit increase, if any, in those fiscal years by adding—

(1) all applicable estimates of direct spending and receipts legislation transmitted under subsection (d) of this section applicable to those fiscal years, other than any amounts included in such estimates resulting from—

(A) full funding of, and continuation of, the deposit insurance guarantee commitment in effect on November 5, 1990, and

(B) emergency provisions as designated under subsection (e) of this section; and

(2) the estimated amount of savings in direct spending programs applicable to those fiscal years resulting from the prior year's sequestration under this section or section 903 of this title, if any (except for any amounts sequestered as a result of a net deficit increase in the fiscal year immediately preceding the prior fiscal year), as published in OMB's end-of-session sequestration report for that prior year.

(c) Eliminating a deficit increase

(1) The amount required to be sequestered in a fiscal year under subsection (b) of this section shall be obtained from non-exempt direct spending accounts from actions taken in the following order:

(A) First

All reductions in automatic spending increases specified in section 906(a) of this title shall be made.

(B) Second

If additional reductions in direct spending accounts are required to be made, the maximum reductions permissible under sections 906(b) of this title (guaranteed student loans) and 906(c) of this title (foster care and adoption assistance) shall be made.

(C) Third

(1) If additional reductions in direct spending accounts are required to be made, each remaining non-exempt direct spending account shall be reduced by the uniform percentage (1) necessary to make the reductions in direct spending required by paragraph (1), except that the Medicare programs specified in section 906(d) of this title shall not be reduced by more than 4 percent and the uniform percentage applicable to all other direct spending programs under this paragraph shall be increased (if necessary) to a level sufficient to achieve the required reduction in direct spending.

(H) For purposes of determining reductions under clause (i), outlay reductions (as a result of sequestration of Commodity Credit Corporation commodity price support contracts in the fiscal year of a sequestration) that would occur in the following fiscal year shall be credited as outlay reductions in the fiscal year of the sequestration.

(2) For purposes of this subsection, accounts shall be assumed to be at the level in the baseline.

(d) OMB estimates

As soon as practicable after Congress completes action on any direct spending or receipts legislation enacted after November 5, 1990, after consultation with the Committees on the Budget of the House of Representatives and the Senate, CBO shall provide OMB with an estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 1995 resulting from that legislation. Within 5 calendar days after the enactment of any direct spending or receipts legislation enacted after November 5, 1990, OMB shall transmit a report to the House of Representatives and to the Senate containing such CBO estimate of that legislation, an OMB estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 1995 resulting from that legislation, and an explanation of any difference between the two estimates. Those OMB estimates shall be made using current economic and technical assumptions. OMB and CBO shall prepare estimates under this paragraph in conformance with scorekeeping guidelines determined after consultation among the House and Senate Committees on the Budget, CBO, and OMB.

(e) Emergency legislation

If, for fiscal year 1991, 1992, 1993, 1994, or 1995 a provision of direct spending or receipts legislation is enacted that the President designates as an emergency requirement and that the Congress so designates in statute, the amounts of new budget authority, outlays, and receipts in all fiscal years through 1995 resulting from that provision shall be designated as an emergency requirement in the reports required under subsection (d) of this section.

(Pub.L. 99-177, Title II, § 282, Dec. 12, 1986, 99 Stat. 1072, amended Pub.L. 100-119, Title I, § 102(a), Sept. 23, 1987, 101 Stat. 764; Pub.L. 100-203, Title VIII, § 8003(e), Dec. 22, 1987, 101 Stat. 1389-282; Pub.L. 101-508, Title XIII, § 13101(a), Nov. 5, 1990, 104 Stat. 1388-581.)

Effective and Termination Dates of Section

For effective and termination dates of this section by section 275 of Pub.L. 99-177, see Effective and Termination Dates notes set out under section 900 of this title.

Historical and Statutory Notes

References in Text. This Act, referred to in chapter sections 654 to 656 of this title, means Title II of Pub.L. 99-177, Dec. 12, 1986, 99 Stat. 1072, as amended, popularly known as the Balanced Budget and Emergency Deficit Control Act of 1985, which enacted this

provisions set out as notes under section 900 of this title and section 911 of Title 42. For complete classification of this Act to the Code, see title and Table.

1987 Amendments. Subsec. (a)(1). Pub. L. 100-119 revised par. (1) to reflect the overhaul of the initial order process, substituting the Director of the OMB for the Comptroller General as the official submitting the report under section 901 and revising the provisions governing the content of the Presidential order issued in conformity with that report.

Subsec. (a)(2). Pub. L. 100-119 redesignated former par. (3) as (2) and in par. (2) as so port" for "Comptroller General's report" in the allowing an exception granted the President with respect to defense programs for fiscal year 1986. Former par. (2), relating to special sequestration procedures for national defense for fiscal year 1986, was struck out.

Subsec. (a)(3). Pub. L. 100-119 added par. (3). Former par. (3) was redesignated (2).

Subsec. (a)(4). Pub. L. 100-119 designated existing provisions of par. (4) as subpar. (A) thereof by inserting "(A) In general, preceding 'Notwithstanding', in subpar. (A) as so designated subpar. (A) shall be withheld from the issuance of a final order under subsection (b) of this section and shall be permanently sequestered or reduced in accordance with 'under paragraph (1) for fiscal year 1987 or any subsequent fiscal year shall be withheld from obligation pending the issuance of a final order under subsection (b) of this section and shall be permanently cancelled in accordance with', and added subpar. (B).

Subsec. (a)(5). Pub. L. 100-119 substituted "Not later than the 15th day beginning after the President issues an initial order under paragraph (1) for any fiscal year" for "At the time the actions described in the preceding provisions of this subsection with respect to any fiscal year are taken".

Subsec. (a)(6). Pub. L. 100-119 revised subpars. (A) and (B) to move the fiscal years involved forward 2 years. Former subpars. (C) and (D), relating to treatment of automatic spending increases for fiscal year 1986 and for fiscal years 1987-1991, with special rules for fiscal year 1986 were deleted and their content, amended to reflect fiscal years 1987-1993, incorporated into subsec. (a)(7).

Subsec. (a)(7). Pub. L. 100-119 added par. (7). Subsec. (b). Pub. L. 100-119 revised pars. (1), (2), and (3) to reflect the substitution of the Director of OMB for the Comptroller General as the official submitting the revised report, and added par. (4).

Subsec. (c). Pub. L. 100-119 designated the existing provisions of subsec. (c) as par. (1) thereof by inserting "(1) In general, preceding 'A, mentioned substantially without change, and added par. (2).

Subsec. (c)(2)(F)(ii). Pub. L. 100-203, § 8003(e), substituted "proposed" for "made".

Subsecs. (b), (c). Pub. L. 100-119 re-enacted subsecs. (b) and (c) without change.

Subsec. (d), (e). Pub. L. 100-119 added subsecs. (d) and (e).

Extension of Reductions Under Original Sequester Order and Applicability of New Sequester Order. Pub. L. 101-239, Title VI, § 6001, Dec. 19, 1989, 103 Stat. 2139, provided that: "Notwithstanding any other provision of law (including section 11002 [section 11002 of Pub. L. 101-239, set out as a note under this section] or any other provision of this Act [Pub. L. 101-239, Dec. 19, 1989, 103 Stat. 2106], other than section 6201 [section 6201 of Pub. L. 101-239, set out as a note below]), the reductions in the amount of payments required under title XVIII of the Social Security Act [section 1395 of title 42, The Social Security Act] made by the President on October 16, 1989, pursuant to section 232(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 [subsec. (b) of this section] shall continue to be effective (as provided by sections 232(a)(4)(B) and 236(d)(2) of such Act [subsecs. (a)(4)(B) of this section and section 906(d)(2) of this section]) through December 31, 1989, with part A of such title [section 1395 of title 42, The Social Security Act] (including payments under section 186 of such title [section 1359 of title 42] attributable or allocated to such part). Each such payment made for items and services provided during fiscal year 1990 after such date shall be increased by 1.42 percent above what it would otherwise be under this Act."

Extension of Reductions Under Sequester Order. Pub. L. 101-239, Title VI, § 6101, Dec. 19, 1989, 103 Stat. 2168, provided that: "Notwithstanding any other provision of law (including any other provision of this Act [Pub. L. 101-239, Dec. 19, 1989, 103 Stat. 2106], other than section 6201 [section 6201 of Pub. L. 101-239, set out as a note below]), the reductions in the amount of payments required under title XVIII of the Social Security Act [section 1395 of title 42, The Social Security Act] made by the President on October 16, 1989, pursuant to section 232(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 [subsec. (b) of this section] shall continue to be effective (as provided by sections 232(a)(4)(B) and 236(d)(2) of such Act [subsecs. (a)(4)(B) of this section and section 906(d)(2) of this section]) through March 31, 1990, with respect to payments for items and services under part B of such title [section 1395 of title 42, The Social Security Act]."

Reductions Under Original Sequester Order and Applicability of New Sequester Order. Pub. L. 101-239, Title VI, § 6201, Dec. 19, 1989, 103 Stat. 2225, provided that: "Notwithstanding any other provision of law (including section 11002 [section 11002 of Pub. L. 101-239, set out as a note under this section] or any other provision of this Act [Pub. L. 101-239, Dec. 19, 1989, 103 Stat. 2106]), the reductions in the amount of payments required under title XVIII of the Social Security Act [section 1395 of title 42, The Social Security Act] made by the President on October 16, 1989, pursuant to section 232(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 [subsec. (b) of this section] shall continue to be effective (as provided by sections 232(a)(4)(B) and 236(d)(2) of such Act [subsecs. (a)(4)(B) of this section and section 906(d)(2) of this section]) through March 31, 1990, with respect to payments for items and services under part B of such title [section 1395 of title 42, The Social Security Act]."

Health and Welfare. made by the final sequester order issued by the President on October 16, 1989, pursuant to section 232(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 [subsec. (b) of this section] shall continue to be effective (as provided by sections 232(a)(4)(B) and 236(d)(2) of such Act [subsecs. (a)(4)(B) of this section and section 906(d)(2) of this section]) through December 31, 1989, with respect to payments under section 1831(a)(1)(A) or 1876 of the Social Security Act [section 1395(a)(1)(A) or 1395(a)(1)(B) of title 42, The Social Security Act] made by the President on October 16, 1989, pursuant to section 232 of the Social Security Act Amendments of 1972 [section 222 of Pub. L. 92-403, amending section 1395-1 of title 42, and enacting a provision set out as a note under section 1395-1 of title 42]. Each such payment made during fiscal year 1990 after such date shall be increased by 1.42 percent above what it would otherwise be under this Act."

Restoration of Sequestered Funds. Section 13401 of Pub. L. 101-508 provided that:

"(a) Order rescinded.—Upon the enactment of this Act [section 101-508, which was approved Nov. 5, 1990], the orders issued by the President on August 23, 1990, and October 15, 1990, pursuant to section 232 of the Balanced Budget and Emergency Deficit Control Act of 1985 [this section] are hereby rescinded."

"(b) Amounts referred.—Any action taken to implement the orders referred to in subsection (a) shall be reversed, and any sequestered resource that has been reduced or sequestered by such orders is hereby restored, revived, or released and shall be available to the same extent and for the same purpose as if the orders had not been issued."

"(c) Furloughed employees.—(1) Federal employees furloughed as a result of the lapse in appropriations from midnight October 5, 1990, until the enactment of House Joint Resolution 666 shall be compensated at their standard rate of compensation for the period during which there was a lapse in appropriations."

"(2) All obligations incurred in anticipation of the appropriations made and authority granted by House Joint Resolution 666 for the purposes of section 232 of the Balanced Budget and Emergency Deficit Control Act of 1985 [this section] is suspended and no action shall be taken to implement any such order."

"(3) Subsection (a) shall cease to be effective on the date set forth in section 108(c) [Nov. 5, 1990]."

Pub. L. 101-461, § 113, Oct. 23, 1990, 104 Stat. 1078, provided that:

"(a) Any order on sequestration for fiscal year 1991 issued before, on, or after the date of enactment of this joint resolution [Oct. 23, 1990] pursuant to section 232 of the Balanced Budget and Emergency Deficit Control Act of 1985 [this section] is suspended and no action shall be taken to implement any such order."

"(b) Subsection (a) shall cease to be effective on the date set forth in section 108(c) [Oct. 27, 1990]."

Pub. L. 101-444, § 113, Oct. 19, 1990, 104 Stat. 1033, provided that:

"(a) Any order on sequestration for fiscal year 1991 issued before, on, or after the date of enactment of this joint resolution [Oct. 19, 1990] pursuant to section 232 of the Balanced Budget and Emergency Deficit Control Act of 1985 [this section] is suspended and no action shall be taken to implement any such order."

"(b) Subsection (a) shall cease to be effective on the date set forth in section 108(c) [Oct. 24, 1990]."

Pub. L. 101-412, § 113, Oct. 9, 1990, 104 Stat. 897, provided that:

"(a) Any order on sequestration for fiscal year 1991 issued before, on, or after the date of enactment of this joint resolution [Oct. 9, 1990] pursuant to section 232 of the Balanced Budget and Emergency Deficit Control Act of 1985 [this section] is suspended and no action shall be taken to implement any such order."

"(b) Subsection (a) shall cease to be effective on the date set forth in section 108(c) [Oct. 19, 1990]."

Pub. L. 101-403, Title I, § 113, Oct. 1, 1990, 104 Stat. 870, provided that:

"(a) Any order on sequestration for fiscal year 1991 issued before, on, or after the date of enactment of this joint resolution [Oct. 1, 1990] pursuant to section 232 of the Balanced Budget and Emergency Deficit Control Act of 1985 [this section] is suspended and no action shall be taken to implement any such order."

31-1 of this title) of the Ethics Reform Act of 1989, the order issued by the President on October 16, 1989, pursuant to section 232 of the Balanced Budget and Emergency Deficit Control Act of 1985 (this section) is deemed to be rescinded on January 31, 1990.

(b) Adjusted Reductions.—

(1) Before the close of the fifteenth calendar day beginning after the date of enactment of this Act (Dec. 19, 1989), the Director of OMB shall issue a revised report using the exact budget baseline set forth in the report of October 16, 1989, and following the requirements, specifications, definitions, and calculations required by the Balanced Budget and Emergency Deficit Control Act of 1985 (Pub.L. 99-177, Title II, Dec. 12, 1985, 99 Stat. 1038, see Short Title note set out under section 901 of this title) for the final report issued under section 251(e)(2) of this title. (2) This title shall be reduced or sequestered by such orders as have been reduced, revised, or released and shall be available to the same extent and for the same purpose as if the orders had not been issued.

(3) Amounts restored.—Except as otherwise provided in sections 4001, 4041(b), and 4061 (set out as notes under this section), any action taken to implement the orders referred to in subsection (a) shall be reversed and any sequestered resource that has been reduced or sequestered by such orders is hereby restored, revised, or released and shall be available to the same extent and for the same purpose as if the orders had not been issued.

(4) Nonnecessity of Sequestration.—Pub.L. 100-202, § 101(a) [§ 11, Dec. 22, 1987, 101 Stat. 1329, provided that: "Because the spending levels included in this Resolution (Pub.L. 100-202, Dec. 22, 1987, 101 Stat. 1328) achieve the deficit reduction targets of the Economic Summit, sequestration is no longer necessary."

(2) Notwithstanding any provision of law other than this paragraph, the reductions and cancellations in the student loan programs described in section 256(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 (section 906(c) of this title) achieved by the order issued by the President on October 16, 1989, shall remain in effect through December 31, 1989, and no reductions or cancellations in such programs shall be made by the order issued under paragraph (4).

(5) Extension of Reductions Under Sequester Order.—Hospital Insurance Benefits For Aged And Disabled.—Pub.L. 100-203, Title IV, § 4061, Dec. 22, 1987, 101 Stat. 1330-42, provided that: "Notwithstanding any other provision of law (including any other provision of this Act [Pub.L. 100-203, Dec. 22, 1987, 101 Stat. 1330]), the reductions in the amount of payments required under title XVI, II of the Social Security Act [section 1395 et seq. of Title 42, The Public Health and Welfare] made by the final sequester order issued by the President on November 20, 1987, pursuant to section 252(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (subsec. (b) of this section) shall continue to be effective (as provided by sections 252(a)(4)(B) and 256(d)(2) of such Act) [subsec. (b)(4)(B) of this section and section 906(d)(2) of this title] through—

(4) On the date that the Director submits a revised report to the President under paragraph (1) for fiscal year 1990, the President shall issue a new final order to make all of the reductions and cancellations specified in such report in conformity with section 252(a)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 (subsec. (a)(2) of this section). Such order shall be deemed to have become effective on October 16, 1989.

(1) March 31, 1988, with respect to payments for inpatient hospital services under such title [section 1395 et seq. of Title 42] (including payments under section 1886 of such title [section 1355w of Title 42] attributable or allocated to part A of such title [section 1395c et seq. of Title 42]); and

(2) December 31, 1987, with respect to payments for other items and services under part A of such title [section 1395c et seq. of Title 42]."

(3) Extension of Reductions Under Sequester Order.—Payments For Physicians' Services For Supplemental Medical Insurance Benefits For Aged And Disabled.—Pub.L. 100-203, Title IV, § 4041(b), Dec. 22, 1987, 101 Stat. 1330-84 provided that: "Notwithstanding any other provision of law (including any other provision of this Act [Pub.L. 100-203, Dec. 22, 1987, 101 Stat. 1330]), the reductions in the amount of payments required under title XVIII of the Social Security Act [section 1395 et seq. of Title 42, The Public Health and Welfare] made by the final sequester

order issued by the President on November 20, 1987, pursuant to section 252(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (subsec. (b) of this section) shall continue to be effective (as provided by sections 252(a)(4)(B) and 256(d)(2) of such Act [subsec. (b)(4)(B) of this section and section 906(d)(2) of this title] through March 31, 1988, with respect to payments for physician services under part B of such title [section 1395 et seq. of Title 42]."

(4) Extension of Reductions Under Sequester Order.—Supplementary Medical Insurance Benefits For Aged And Disabled.—Pub.L. 100-203, Title IV, § 4061, Dec. 22, 1987, 101 Stat. 1330-100 provided that: "Notwithstanding any other provision of law (including any other provision of this Act [Pub.L. 100-203, Dec. 22, 1987, 101 Stat. 1330]), the reductions in the amount of payments required under title XVI, II of the Social Security Act [section 1395 et seq. of Title 42, The Public Health and Welfare] made by the final sequester order issued by the President on November 20, 1987, pursuant to section 252(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (subsec. (b) of this section) shall continue to be effective (as provided by sections 252(a)(4)(B) and 256(d)(2) of such Act [subsec. (b)(4)(B) of this section and section 906(d)(2) of this title] through March 31, 1988, with respect to payments for physician services under part B of such title [section 1395 et seq. of Title 42]."

(5) Extension of Reductions Under Sequester Order.—Supplementary Medical Insurance Benefits For Aged And Disabled.—Pub.L. 100-203, Title IV, § 4061, Dec. 22, 1987, 101 Stat. 1330-100 provided that: "Notwithstanding any other provision of law (including any other provision of this Act [Pub.L. 100-203, Dec. 22, 1987, 101 Stat. 1330]), the reductions in the amount of payments required under title XVI, II of the Social Security Act [section 1395 et seq. of Title 42, The Public Health and Welfare] made by the final sequester order issued by the President on November 20, 1987, pursuant to section 252(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (subsec. (b) of this section) shall continue to be effective (as provided by sections 252(a)(4)(B) and 256(d)(2) of such Act [subsec. (b)(4)(B) of this section and section 906(d)(2) of this title] through March 31, 1988, with respect to payments for physician services under part B of such title [section 1395 et seq. of Title 42]."

(6) Extension of Reductions Under Sequester Order.—Supplementary Medical Insurance Benefits For Aged And Disabled.—Pub.L. 100-203, Title IV, § 4061, Dec. 22, 1987, 101 Stat. 1330-100 provided that: "Notwithstanding any other provision of law (including any other provision of this Act [Pub.L. 100-203, Dec. 22, 1987, 101 Stat. 1330]), the reductions in the amount of payments required under title XVI, II of the Social Security Act [section 1395 et seq. of Title 42, The Public Health and Welfare] made by the final sequester order issued by the President on November 20, 1987, pursuant to section 252(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (subsec. (b) of this section) shall continue to be effective (as provided by sections 252(a)(4)(B) and 256(d)(2) of such Act [subsec. (b)(4)(B) of this section and section 906(d)(2) of this title] through March 31, 1988, with respect to payments for physician services under part B of such title [section 1395 et seq. of Title 42]."

(7) Extension of Reductions Under Sequester Order.—Supplementary Medical Insurance Benefits For Aged And Disabled.—Pub.L. 100-203, Title IV, § 4061, Dec. 22, 1987, 101 Stat. 1330-100 provided that: "Notwithstanding any other provision of law (including any other provision of this Act [Pub.L. 100-203, Dec. 22, 1987, 101 Stat. 1330]), the reductions in the amount of payments required under title XVI, II of the Social Security Act [section 1395 et seq. of Title 42, The Public Health and Welfare] made by the final sequester order issued by the President on November 20, 1987, pursuant to section 252(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (subsec. (b) of this section) shall continue to be effective (as provided by sections 252(a)(4)(B) and 256(d)(2) of such Act [subsec. (b)(4)(B) of this section and section 906(d)(2) of this title] through March 31, 1988, with respect to payments for physician services under part B of such title [section 1395 et seq. of Title 42]."

(8) Extension of Reductions Under Sequester Order.—Supplementary Medical Insurance Benefits For Aged And Disabled.—Pub.L. 100-203, Title IV, § 4061, Dec. 22, 1987, 101 Stat. 1330-100 provided that: "Notwithstanding any other provision of law (including any other provision of this Act [Pub.L. 100-203, Dec. 22, 1987, 101 Stat. 1330]), the reductions in the amount of payments required under title XVI, II of the Social Security Act [section 1395 et seq. of Title 42, The Public Health and Welfare] made by the final sequester order issued by the President on November 20, 1987, pursuant to section 252(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (subsec. (b) of this section) shall continue to be effective (as provided by sections 252(a)(4)(B) and 256(d)(2) of such Act [subsec. (b)(4)(B) of this section and section 906(d)(2) of this title] through March 31, 1988, with respect to payments for physician services under part B of such title [section 1395 et seq. of Title 42]."

(9) Extension of Reductions Under Sequester Order.—Supplementary Medical Insurance Benefits For Aged And Disabled.—Pub.L. 100-203, Title IV, § 4061, Dec. 22, 1987, 101 Stat. 1330-100 provided that: "Notwithstanding any other provision of law (including any other provision of this Act [Pub.L. 100-203, Dec. 22, 1987, 101 Stat. 1330]), the reductions in the amount of payments required under title XVI, II of the Social Security Act [section 1395 et seq. of Title 42, The Public Health and Welfare] made by the final sequester order issued by the President on November 20, 1987, pursuant to section 252(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (subsec. (b) of this section) shall continue to be effective (as provided by sections 252(a)(4)(B) and 256(d)(2) of such Act [subsec. (b)(4)(B) of this section and section 906(d)(2) of this title] through March 31, 1988, with respect to payments for physician services under part B of such title [section 1395 et seq. of Title 42]."

(10) Extension of Reductions Under Sequester Order.—Supplementary Medical Insurance Benefits For Aged And Disabled.—Pub.L. 100-203, Title IV, § 4061, Dec. 22, 1987, 101 Stat. 1330-100 provided that: "Notwithstanding any other provision of law (including any other provision of this Act [Pub.L. 100-203, Dec. 22, 1987, 101 Stat. 1330]), the reductions in the amount of payments required under title XVI, II of the Social Security Act [section 1395 et seq. of Title 42, The Public Health and Welfare] made by the final sequester order issued by the President on November 20, 1987, pursuant to section 252(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (subsec. (b) of this section) shall continue to be effective (as provided by sections 252(a)(4)(B) and 256(d)(2) of such Act [subsec. (b)(4)(B) of this section and section 906(d)(2) of this title] through March 31, 1988, with respect to payments for physician services under part B of such title [section 1395 et seq. of Title 42]."

PRESIDENTIAL SEQUESTRATION OR REDUCTION ORDER EMERGENCY DEFICIT CONTROL MEASURES

Final Order of the President of the United States, Oct. 15, 1990, 55 FR 41977

By the authority vested in me as president by the statutes of the United States of America, including section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119) (hereafter referred to as "the Act") (this section), I hereby order that the following actions shall be taken to implement the sequestrations and reductions determined by the Director of the Office of Management and Budget as set forth in his report dated October 15, 1990, under section 251 of the Act [section 901 of this title]:

(1) Each automatic spending increase that would, but for the provisions of the Act, take effect during fiscal year 1991 is permanently sequestered or reduced as provided in section 252 [this section].

(2) The following are sequestered as provided in section 252: new budget authority, unobligated balances, new loan guarantee commitments or limitations, new direct loan obligations, commitments or limitations, spending authority as determined by laws enacted after February 1, 1986, and before the date of adoption of this joint resolution."

(3) For accounts making payments otherwise required by substantive law, the head of each Department or agency is directed to modify the calculation of each such payment to the extent necessary to reduce the estimate of total required payments for the fiscal year by the amount specified by the Director of the Office of Management and Budget in his report of October 15, 1990.

(4) For accounts making commitments for guaranteed loans as authorized by substantive law, the head of each Department or agency is directed to reduce the level of such commitments or obligations to the extent necessary to conform to the limitations established by the Act and specified by the Director of the Office of Management and Budget in his report of October 15, 1990.

All reductions and sequestrations shall be made in strict accordance with the specifications of the October 15th report of the Director of the Office of Management and Budget and the requirements of section 252(b) [subsec. (b) of this section].

This order supersedes the Initial Order issued on August 25, 1990.

This order shall be published in the Federal Register.

1991

George Bush

Initial Order of the President of the United States, Aug. 25, 1990, 55 F.R. 33133, which provided for the temporary withholding from obligation or expenditure of amounts suspended or sequestered under that Order for fiscal year 1990 pending the issuance of a final order under subsection (b) of this section, was superseded by Order of the President, Oct. 15, 1990, 55 F.R. 41977.

1990

Final Order of the President of the United States, Dec. 27, 1989, 54 F.R. 40696, provided:

By the authority vested in me as President by the statutes of the United States of America, including section 232 of the Balanced Budget and Emergency Deficit Control Act of 1985 [Public Law 99-177], as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 [Public Law 100-119] [hereinafter referred to as "the Act"] [this section], and section 11002 of the Omnibus Reconciliation Act of 1989 [Public Law 101-239] ["OBRA"], not classified to the Code I hereby order that the following actions be taken to implement the sequesterations and reductions determined by the Director of the Office of Management and Budget as set forth in his report dated December 27, 1989, under section 251 of the Act [section 901 of this title] and section 11002 of the OBRA (not classified to the Code):

(1) Each automatic spending increase that would, but for the provisions of the Act, take effect during fiscal year 1990 is permanently sequestered or reduced as provided in section 252 of the Act [this section] and section 11002 of OBRA.

(2) The following are sequestered as provided in section 252 of the Act and section 11002 of OBRA: new budget authority; unobligated balances; new loan guarantee commitments or limitations; new direct loan obligations; commitments; or limitations; spending authority as defined in section 401(c)(2) of the Congressional Budget Act of 1974, as amended [section 651(c)(2) of this title]; and obligation limitations.

(3) For accounts making payments otherwise required by substantive law, the head of each department or agency is directed to modify the calculation of each such payment to the extent necessary to reduce the estimate of total required payments for the fiscal year by the amount specified by the Director of the Office of Management and Budget in his report of December 27, 1989.

(4) For accounts making commitments for guaranteed loans or obligations for direct loans as authorized by substantive law, the head of each department or agency is directed to reduce the level of such commitments or obligations to the extent necessary to conform to the limitations established by the Act and by OBRA and specified by the Director of the Office of Management and Budget in his report of December 27, 1989.

All reductions and sequesterations shall be made in strict accordance with the specifications of the December 27th report of the Director of the Office of Management and Budget and the requirements of section 232(b) of the Act [subsection (b) of this section] and section 11002 of OBRA.

This order shall be deemed to have become effective on October 16, 1989, as provided in section 11002 of OBRA.

This order shall be published [in the] Federal Register.

George Bush

Initial Order of the President of the United States, Aug. 25, 1989, 54 F.R. 35627, which provided for the temporary withholding from obligation or expenditure of amounts suspended or sequestered under that Order for fiscal year 1990 pending the issuance of a final order under subsection (b) of this section, was superseded by Order of the President, Oct. 16, 1989, 54 F.R. 42795.

Order of the President of the United States, Oct. 16, 1989, 54 F.R. 42795, which provided for emergency deficit control measures for fiscal year 1990, was superseded by Order of the President, Dec. 27, 1989, 54 F.R. 35469.

1989

Initial Order of the President of the United States, Aug. 25, 1988, 53 F.R. 32881, stated, in accordance with the report of the Director of the Office of Management and Budget issued Aug. 25, 1988, that no aggregate outlay reductions were required pending issuance of the revised report and final order, set out below.

Final Order of the President of the United States, Oct. 15, 1988, 53 F.R. 40696, provided:

By the authority vested in me as President under the Constitution and by the statutes of the United States of America, including section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 [Public Law 99-177], as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 [Public Law 100-119] [Pub.L. 100-119, Title I, Sept. 29, 1987, 101 Stat. 754] [hereinafter referred to as "the Act"] [this section], and in accordance with the report of the Director of the Office of Management and Budget issued October 15, 1988, pursuant to section 251(c)(2) of the Act [section 901(c)(2) of this title], I hereby state, pursuant to section 252(b) [subsection (b) of this section] that no aggregate outlay reductions are required.

This Order shall be reported to the Congress and shall be published in the Federal Register.

RONALD REAGAN

1988

Order of the President of the United States, Oct. 20, 1987, 52 F.R. 39203, which provided emergency deficit control measures for fiscal year 1988, was superseded by Order of the President, Nov. 20, 1987, 52 F.R. 44960, set out below.

Order of the President of the United States, Nov. 20, 1987, 52 F.R. 44960, provided:

By the authority vested in me as President by the statutes of the United States of America, including section 252 of the Balanced Budget and Emergency Deficit Control Act of 1987 [Public Law 99-177], as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 [Public Law 100-119] [Pub.L. 100-119, Sept. 29, 1987, 101 Stat. 754] [hereinafter referred to as "the Act"] [this section], I hereby order that the following actions be taken immediately to implement the sequesterations and reductions determined by the Director of the Office of Management and Budget in his report dated November 20, 1987, under section 251 of the Act [section 901 of this title]:

(1) Each automatic spending increase that would, but for the provisions of the Act (see short title note set out under section 901 of this title), take effect during fiscal year 1988 is permanently sequestered or reduced as provided in section 252 [this section]. The programs with such automatic spending increases subject to reduction in this manner are: National Wool Act [7 U.S.C.A. § 1781 et seq.]; Special milk program [42 U.S.C.A. § 1172]; and Vocational rehabilitation [29 U.S.C.A. § 720 et seq.].

(2) The following are sequestered as provided in section 252 [this section]: new budget authority; unobligated balances; new loan guarantee commitments or limitations; new direct loan obligations; commitments; or limitations; spending authority as defined in section 401(c)(2) of the Congressional Budget Act of 1974, as amended [section 651(c)(2) of this title]; and obligation limitations.

(3) For accounts making payments otherwise required by substantive law, the head of each department or agency is directed to modify the calculation of each such payment to the extent necessary to reduce the estimate of total required payments for the fiscal year by the amount specified in the Director of the Office of Management and Budget's report of November 20, 1987.

(4) For accounts making commitments for guaranteed loans and obligations for direct loans as authorized by substantive law, the head of each department or agency is directed to reduce the level of such commitments or obligations to the extent necessary to conform to the limitations established by the Act (see short title note set out under section 901 of this title) and specified in the Director of the Office of Management and Budget's report of November 20, 1987.

All reductions and sequesterations shall be made in strict accordance with the specifications of the November 20 report of the Director of the Office of Management and Budget and the requirements of section 252(b) [subsection (b) of this section].

This Order shall be effective immediately and supersede the initial Order issued on October 20, 1987 (set out at 52 F.R. 39203).

This Order shall be reported to the Congress and shall be published in the Federal Register.

RONALD REAGAN

1986

Order of the President of the United States, Feb. 1, 1986, 51 F.R. 4291, provided:

By the authority vested in me as President by the statutes of the United States of America, including section 252 of the Balanced Budget and Emergency Deficit Control Act of 1983 [hereinafter referred to as "the Act"] [this section], I hereby order that the following actions be taken immediately to implement the required sequesterations or reductions determined by the Comptroller General in his report dated January 21, 1986, under section 251 of the Act [section 901 of this title]:

(1) Each automatic spending increase which but for the passage of the Act (see short title note set out under section 901 of this title) would be set out under section 901 of the Act [subsection (b) of this section] and the enactment of the Act first paid on or after the enactment of the Act

[Dec. 12, 1986] during fiscal year 1986 is suspended as provided in section 252(a)(9) [subsection (a)(9) of this section] and subject to provisions set forth in sections 255, 256, and 257 of the Act [sections 905, 906, and 907 of this title]. The programs subject to reduction in this manner, specified by account title, are: Central Intelligence Agency retirement and disability system fund [50 U.S.C.A. § 403 (a)(4)]; Civil service retirement and disability fund [5 U.S.C.A. § 8348]; Comprehensive general retirement system [31 U.S.C.A. § 771]; Foreign service retirement and disability fund [22 U.S.C.A. § 4041 et seq.]; Military retirement fund [10 U.S.C.A. § 1461 et seq.]; National Oceanic and Atmospheric Administration retirement [33 U.S.C.A. § 857a]; Railroad Retirement Tier II [45 U.S.C.A. § 231b]; Retired pay, Coast Guard [14 U.S.C.A. § 421]; Retirement pay and medical benefits for commissioned Public Health Service officers [42 U.S.C.A. § 212]; Special benefits, Federal Employees' Compensation Act [5 U.S.C.A. § 8101 et seq.]; National Wool Act [7 U.S.C.A. § 1781 et seq.]; Special milk program [42 U.S.C.A. § 1172]; and Vocational rehabilitation [29 U.S.C.A. § 720].

(2) New budget authority and unobligated balances amounts for major National Defense functional category (050) are sequestered according to the procedures set forth in section 252(a)(2) of the Act [subsection (a)(2) of this section].

(3) For non-defense accounts in the Federal budget, the following are sequestered: new budget authority; new loan guarantee commitments; new direct loan obligations; and spending authority as defined in section 401(c)(2) of the Congressional Budget Act of 1974, as amended [section 651(c)(2) of this title] and the reduction of obligation limitations for each account and for each program, project, and activity, as defined pursuant to section 252(a)(1)(B)(i) of the Act [subsection (a)(1)(B)(i) of this section], or each budget account activity as defined pursuant to section 252(a)(1)(B)(ii) of the Act [subsection (a)(1)(B)(ii) of this section].

(4) For accounts making payments otherwise required by substantive law, the head of each department or agency is directed to modify the calculation of each such payment to the extent necessary to reduce the estimate of total required payments for the remainder of the fiscal year (a) where payments are not made from spending authority as defined in section 401(c)(2) of the Congressional Budget Act of 1974, as amended [section 651(c)(2) of this title], to the level of remaining budgetary resources or (b) where payments are made from spending authority as defined in section 401(c)(2) of the Congressional Budget Act of 1974, as amended [section 651(c)(2) of this title], to the estimated level of payments included in the Comptroller General determination on January 21, 1986, of required sequestration or reduction.

(5) For accounts making commitments for guaranteed loans and obligations for direct loans subject to limitation otherwise required by substantive law, the head of each department or agency is directed to modify the calculation of such commitments or obligations to the extent necessary to conform to the limitations established by the Act and specified in the Comptroller General determination of January 21, 1986.

the extent not otherwise prohibited by law, use existing authority to deobligate balances of budgetary resources as necessary to apply the required reduction or sequestration in as uniform a manner as possible for any person or other recipient entitled to payments under any formula-driven calculations specified in the substantive law. Deobligations may include budgetary resources obligations for which checks have not been issued or funds not otherwise disbursed (funds obligated but unexpended).

Also, the head of each Department or agency shall report the programs, projects, and activities information required by section 232(a)(5)(A) and (B) (subsec. (a)(3)(A) and (B) of this section) to the President of the Senate, the Speaker of the House, the Director of the Office of Management and Budget, and the Comptroller General, as instructed by the Director of the Office of Management and Budget in Bulletin No. 86-7. For those programs in the National Defense function that have already been reported by program, project, and activity, no additional report is necessary.

Law Review Commentaries

Rewriting the fiscal constitution: The case of Gramm-Rudman-Hollings. Kate Smith, 76 Cal. L.Rev. 593 (1988).

Library References

United States @79.
C.J.S. United States § 120.

Notes of Decisions

Constitutionality 1
Persons entitled to maintain action 2

gess. American Federation of Government Employees v. U.S., D.D.C. 1986, 634 F.Supp. 336, affirmed 107 S.Ct. 43, 479 U.S. 801, 93 L.Ed.2d 6.

1. Constitutionality

Frost Amendment, which purported to prohibit use of federal funds for demolition of any housing in particular project, as required by consent decree approved by district court, was unconstitutional, as it violated principle of separation of powers. Walker v. U.S. Dept. of Housing and Urban Development, N.D.Tex. 1985, 734 F.Supp. 1272.

"Automatic deficit reduction process" of "Gramm-Rudman-Hollings Act" unconstitutional, as it granted executive power to Comptroller General, who is removable by joint resolution of Congress.

§ 903. Enforcing deficit targets

(a) Sequestration

Within 15 calendar days after Congress adjourns to end a session (other than of the One Hundred First Congress) and on the same day as a sequestration (if any) under section 901 of this title and section 902 of this title, but after any sequestration required by section 901 of this title (enforcing discretionary spending limits) or section 902 of this title (enforcing pay-as-you-go), there shall be a sequestration to eliminate the excess deficit (if any remains) if it exceeds the margin.

(b) Excess deficit; margin

The excess deficit is, if greater than zero, the estimated deficit for the budget year, minus—

(1) the maximum deficit amount for that year.

receipts legislation under section 902(e) of this title; and

(3) for any fiscal year in which there is not a full adjustment for technical and economic reestimates, the deposit insurance reestimate for that year, if any, calculated under subsection (h) of this section.

The "margin" for fiscal year 1992 or 1993 is zero and for fiscal year 1994 or 1995 is \$15,000,000,000.

(c) Dividing the sequestration

To eliminate the excess deficit in a budget year, half of the required outlay reductions shall be obtained from non-exempt defense accounts (accounts designated as function 050 in the President's fiscal year 1991 budget submission) and half from non-exempt, non-defense accounts (all other non-exempt accounts).

(d) Defense

Each non-exempt defense account shall be reduced by a dollar amount calculated by multiplying the level of sequestrable budgetary resources in that account at that time by the uniform percentage necessary to carry out subsection (c) of this section, except that, if any military personnel are exempt, adjustments shall be made under the procedure set forth in section 901(a)(3) of this title.

(e) Non-defense

Actions to reduce non-defense accounts shall be taken in the following order:

(1) First

All reductions in automatic spending increases under section 906(a) of this title shall be made.

(2) Second

If additional reductions in non-defense accounts are required to be made, the maximum reduction permissible under sections 906(b) of this title (guaranteed student loans) and 906(c) of this title (foster care and adoption assistance) shall be made.

(3) Third

(A) If additional reductions in non-defense accounts are required to be made, each remaining non-exempt, non-defense account shall be reduced by the uniform percentage necessary to make the reductions in non-defense outlays required by subsection (c) of this section, except that—

(i) the medicare program specified in section 906(d) of this title shall not be reduced by more than 2 percent in total including any reduction of less than 2 percent made under section 902 of this title or, if it has been reduced by 2 percent or more under section 902 of this title, it may not be further reduced under this section; and

(ii) the health programs set forth in section 906(e) of this title shall not be reduced by more than 2 percent in total (including any reduction made under section 901 of this title), and the uniform percent applicable to all other programs under this subsection shall be increased (if necessary) to a level sufficient to achieve the required reduction in non-defense outlays.

(B) For purposes of determining reductions under subparagraph (A), outlay reduction (as a result of sequestration of Commodity Credit Corporation commodity price support contracts in the fiscal year of a sequestration) that would occur in the following fiscal year shall be credited as outlay reductions in the fiscal year of the sequestration.

(f) Baseline assumptions; part-year appropriations

(1) Budget assumptions

For purposes of subsections (b), (c), (d), and (e) of this section, accounts shall be assumed to be at the level in the baseline minus any reductions required to be made under sections 901 of this title and 902 of this title.

(2) Part-year appropriations

If, on the date specified in subsection (a) of this section, there is in effect an Act making or continuing appropriations for part of a fiscal year for any non-exempt budget account, then the dollar sequestration calculated for that account under subsection (d) or (e) of this section, as applicable, shall be subtracted from—

(A) the annualized amount otherwise available by law in that account under that or a subsequent part-year appropriation; and

(B) when a full-year appropriation for that account is enacted, from the amount otherwise provided by the full-year appropriation, except that the amount to be sequestered from that account shall be reduced (but not below zero) by the savings achieved by that appropriation when the enacted amount is less than the baseline for that account.

(g) Adjustments to maximum deficit amounts**(1) Adjustments**

(A) When the President submits the budget for fiscal year 1992, the maximum deficit amounts for fiscal years 1992, 1993, 1994, and 1995 shall be adjusted to reflect up-to-date reestimates of economic and technical assumptions and any changes in concepts or definitions. When the President submits the budget for fiscal year 1993, the maximum deficit amounts for fiscal years 1993, 1994, and 1995 shall be further adjusted to reflect up-to-date reestimates of economic and technical assumptions and any changes in concepts or definitions.

(B) When submitting the budget for fiscal year 1994, the President may choose to adjust the maximum deficit amounts for fiscal years 1994 and 1995 to reflect up-to-date reestimates of economic and technical assumptions. If the President chooses to adjust the maximum deficit amount when submitting the fiscal year 1994 budget, the President may choose to invoke the same adjustment procedure when submitting the budget for fiscal year 1995. In each case, the President must choose between making no adjustment or the full adjustment described in paragraph (2). If the President chooses to make that full adjustment, then those procedures for adjusting discretionary spending limits described in sections 901(b)(1)(C) of this title and 901(b)(2)(E) of this title, otherwise applicable through fiscal year 1993 or 1994 (as the case may be), shall be deemed to apply for fiscal year 1994 (and 1995 if applicable).

(C) When the budget for fiscal year 1994 or 1995 is submitted and the sequestration reports for those years under section 904 of this title are made (as applicable), if the President does not choose to make the adjustments set forth in subparagraph (B), the maximum deficit amount for that fiscal year shall be adjusted by the amount of the adjustment to discretionary spending limits first applicable for that year (if any) under section 901(b) of this title.

(D) For each fiscal year the adjustments required to be made with the submission of the President's budget for that year shall also be made when OMB submits the sequestration update report and the final sequestration report for that year, but OMB shall continue to use the economic and technical assumptions in the President's budget for that year.

Each adjustment shall be made by increasing or decreasing the maximum deficit amounts set forth in section 665 of this title.

(2) Calculations of adjustments

The required increase or decrease shall be calculated as follows:

(A) The baseline deficit or surplus shall be calculated using up-to-date economic and technical assumptions, using up-to-date concepts and definitions, and, in lieu of the baseline levels of discretionary appropriations, using the discretionary spending limits set forth in section 601 of the Congressional Budget Act of 1974 as adjusted under section 901 of this title.

(B) The net deficit increase or decrease caused by all direct spending and receipts legislation enacted after November 5, 1990 (after adjusting for any sequestration of direct spending accounts) shall be calculated for each fiscal year by adding—

(i) the estimates of direct spending and receipts legislation transmitted under section 902(d) of this title applicable to each such fiscal year; and

(ii) the estimated amount of savings in direct spending programs applicable to each such fiscal year resulting from the prior year's sequestration under this section or section 902 of this title of direct spending, if any, as contained in OMB's final sequestration report for that year.

(C) The amount calculated under subparagraph (B) shall be subtracted from the amount calculated under subparagraph (A).

(D) The maximum deficit amount set forth in section 665 of this title shall be subtracted from the amount calculated under subparagraph (C).

(E) The amount calculated under subparagraph (D) shall be the amount of the adjustment required by paragraph (1).

(h) Treatment of Deposit Insurance**(1) Initial estimates**

The initial estimates of the net costs of federal deposit insurance for fiscal year 1994 and fiscal year 1995 (assuming full funding of, and continuation of, the deposit insurance guarantee commitment in effect on the date of the submission of the budget for fiscal year 1993) shall be set forth in that budget.

(2) Reestimates

For fiscal year 1994 and fiscal year 1995, the amount of the reestimate of deposit insurance costs shall be calculated by subtracting the amount set forth under paragraph (1) for that year from the current estimate of deposit insurance costs (but assuming full funding of, and continuation of, the deposit insurance guarantee commitment in effect on the date of submission of the budget for fiscal year 1993).

(Pub.L. 99-177, Title II, § 253, Dec. 12, 1985, 99 Stat. 1078, amended Pub.L. 100-119, Title I, § 103, Sept. 29, 1987, 101 Stat. 775; Pub.L. 101-508, Title XIII, § 13101(a), Nov. 5, 1990, 104 Stat. 1388-583.)

Effective and Termination Dates of Section

For effective and termination dates of this section by section 275 of Pub.L. 99-177, see Effective and Termination Dates notes set out under section 900 of this title.

Historical and Statutory Notes

1987 Amendment. Pub.L. 100-119 substituted provisions directing that, on or before November 15 of each fiscal year (or December 15, 1987, in the case of the fiscal year 1988), the Comptroller General shall submit to the Congress and the President a report on (1) the extent to which each order issued by the President under section 902 of this title for such fiscal year complies with all of the requirements contained in section 902 of this title, either certifying that the order fully and accurately complies with such requirements or indicating the respects in which it does not; (2) the extent to which each report of the Director of OMB under section 901 of this title for such fiscal year complies with all of the requirements contained in this subchapter, either certifying that the report fully and accurately complies with such requirements or indicating the respects in which it does not; and (3) any recommendations of the

Comptroller General for improving the procedures set forth in this subchapter, for former provisions which had directed that, on or before November 15 of each fiscal year (or on or before April 1, 1986, in the case of the fiscal year 1986), the Comptroller General was to submit to the Congress and the President a report on the extent to which the President's order issued under section 902(b) of this title for such fiscal year complied with all of the requirements contained in the order fully and accurately complied with such requirements or indicating the respects in which it did not.

Legislative History. For legislative history and purpose of Pub.L. 99-177, see 1985 U.S. Code Cong. and Adm. News, p. 979. See also, Pub.L. 100-119, 1987 U.S. Code Cong. and Adm. News, p. 379; Pub.L. 101-508, 1990 U.S. Code Cong. and Adm. News, p. 2017.

§ 904. Reports and orders**(a) Timetable**

The timetable with respect to this part for any budget year is as follows:

January 21

Notification regarding optional adjustment of maximum deficit amount.

5 days before the President's budget submission.

The President's budget submission.

August 10 OMB sequestration preview report.

August 15 Notification regarding military personnel.

August 20 OMB sequestration update report.

10 days after end of session OMB final sequestration report.

15 days after end of session OMB final sequestration report; Presidential order.

30 days later GAO compliance report.

(b) Submission and availability of reports

Each report required by this section shall be submitted, in the case of CBO, to the House of Representatives, the Senate, and OMB and, in the case of OMB, to the House of Representatives, the Senate, and the President on the day it is issued. On the following day a notice of the report shall be printed in the Federal Register.

(c) Optional adjustment of maximum deficit amounts

With respect to budget year 1994 or 1995, on the date specified in subsection (a) of this section the President shall notify the House of Representatives and the Senate of his decision regarding the optional adjustment of the maximum deficit amount (as allowed under section 903(g)(1)(B) of this title).

(d) Sequestration preview reports**(1) Reporting requirement**

On the dates specified in subsection (a) of this section, OMB and CBO shall issue a preview report regarding discretionary, pay-as-you-go, and deficit sequestration based on laws enacted through those dates.

(2) Discretionary sequestration report

The preview reports shall set forth estimates for the current year and each subsequent year through 1995 of the applicable discretionary spending limits for each category and an explanation of any adjustments in such limits under section 901 of this title.

(3) Pay-as-you-go sequestration reports

The preview reports shall set forth, for the current year and the budget year, estimates for each of the following:

(A) The amount of net deficit increase or decrease, if any, calculated under subsection 902(b) of this title.

(B) A list identifying each law enacted and sequestration implemented after November 5, 1990, included in the calculation of the amount of deficit increase or decrease and specifying the budgetary effect of each such law.

(C) The sequestration percentage or (if the required sequestration percentage is greater than the maximum allowable percentage for medicare) percentages necessary to eliminate a deficit increase under section 902(c) of this title.

(4) Deficit sequestration reports

The preview reports shall set forth for the budget year estimates for each of the following:

(A) The maximum deficit amount, the estimated deficit calculated under section 903(b) of this title, the excess deficit, and the margin.

(B) The amount of reductions required under section 902 of this title, the excess deficit remaining after those reductions have been made, and the amount of reductions required from defense accounts and the reductions required from non-defense accounts.

duction in defense accounts under section 903(d) of this title.
(D) The reductions required under sections 903(e)(1) and 903(e)(2) of this title.

(E) The sequestration percentage necessary to achieve the required reduction in non-defense accounts under section 903(e)(3) of this title.

The CBO report need not set forth the items other than the maximum deficit amount for fiscal year 1992, 1993, or any fiscal year for which the President notifies the House of Representatives and the Senate that he will adjust the maximum deficit amount under the option under section 903(e)(1)(B) of this title.

(5) Explanation of differences

The OMB reports shall explain the differences between OMB and CBO estimates for each item set forth in this subsection.

(e) Notification regarding military personnel

On or before the date specified in subsection (a) of this section, the President shall notify the Congress of the manner in which he intends to exercise flexibility with respect to military personnel accounts under section 905(h) of this title.

(f) Sequestration update reports

On the dates specified in subsection (a) of this section, OMB and CBO shall issue a sequestration update report, reflecting laws enacted through those dates, containing all of the information required in the sequestration preview reports.

(g) Final sequestration reports**(1) Reporting requirement**

On the dates specified in subsection (a) of this section, OMB and CBO shall issue a final sequestration report, updated to reflect laws enacted through those dates.

(2) Discretionary sequestration reports

The final reports shall set forth estimates for each of the following:

(A) For the current year and each subsequent year through 1995 the applicable discretionary spending limits for each category and an explanation of any adjustments in such limits under section 901 of this title.

(B) For the current year and the budget year the estimated new budget authority and outlays for each category and the breach, if any, in each category.

(C) For each category for which a sequestration is required, the sequestration percentages necessary to achieve the required reduction.

(D) For the budget year, for each account to be sequestered, estimates of the baseline level of sequesterable budgetary resources and resulting outlays and the amount of budgetary resources to be sequestered and resulting outlay reductions.

(3) Pay-as-you-go and deficit sequestration reports

The final reports shall contain all the information required in the pay-as-you-go and deficit sequestration preview reports. In addition, these reports shall contain, for the budget year, for each account to be sequestered, estimates of the baseline level of sequesterable budgetary resources and resulting outlays and the amount of budgetary resources to be sequestered and resulting outlay reductions. The reports shall also contain estimates of the effects on outlays of the sequestration in each outyear through 1995 for direct spending programs.

(4) Explanation of differences

The OMB report shall explain any differences between OMB and CBO estimates of the amount of any net deficit change calculated under subsection 902(b) of this title, any excess deficit, any breach, and any required sequestration percentage. The OMB report shall also explain differences in the amount

difference is greater than \$5,000,000.

(5) **Presidential order**

On the date specified in subsection (a) of this section, if in its final sequestration report OMB estimates that any sequestration is required, the President shall issue an order fully implementing without change all sequestrations required by the OMB calculations set forth in that report. This order shall be effective on issuance.

(h) **Within-session sequestration reports and order**

If an appropriation for a fiscal year in progress is enacted (after Congress adjourns to end the session for that budget year and before July 1 of that fiscal year) that causes a breach, 10 days later CBO shall issue a report containing the information required in paragraph (g)(2). Fifteen days after enactment, OMB shall issue a report containing the information required in paragraphs (g)(2) and (g)(4). On the same day as the OMB report, the President shall issue an order fully implementing without change all sequestrations required by the OMB calculations set forth in that report. This order shall be effective on issuance.

(i) **GAO compliance report**

On the date specified in subsection (a) of this section, the Comptroller General shall submit to the Congress and the President a report on—

(1) the extent to which each order issued by the President under this section complies with all of the requirements contained in this part, either certifying that the order fully and accurately complies with such requirements or indicating the respects in which it does not; and

(2) the extent to which each report issued by OMB or CBO under this section complies with all of the requirements contained in this part, either certifying that the report fully and accurately complies with such requirements or indicating the respects in which it does not.

(j) **Low-growth report**

At any time, CBO shall notify the Congress if—

(1) during the period consisting of the quarter during which such notification is given, the quarter preceding such notification, and the 4 quarters following such notification, CBO or OMB has determined that real economic growth is projected or estimated to be less than zero with respect to each of any 2 consecutive quarters within such period; or

(2) the most recent of the Department of Commerce's advance preliminary or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than one percent.

(k) **Economic and technical assumptions**

In all reports required by this section, OMB shall use the same economic and technical assumptions as used in the most recent budget submitted by the President under section 1103(a) of Title 31.

(Pub.L. 99-177, Title II, § 254, Dec. 12, 1986, 99 Stat. 1078, amended Pub.L. 100-119, Title I, § 1020(b)(1), 106 Stat. 1064, Sept. 28, 1992, 106 Stat. 773, 781; Pub.L. 101-508, Title XIII, § 13101(a), Nov. 5, 1990, 104 Stat. 1888-986.)

Effective and Termination Dates of Section

For effective and termination dates of this section by section 275 of Pub.L. 99-177, see Effective and Termination Dates notes set out under section 900 of this title.

Historical and Statutory Notes

1987 Amendment. Subsec. (b)(1)(A) Pub.L. 100-119, § 1020(b)(1), substituted "the Director of OMB" for "the Comptroller General".

Subsec. (b)(1)(E) Pub.L. 100-119, § 1064(c)(2), added provisions relating to maximum deficit amount for fiscal year 1988 or 1989.

Legislative History. For legislative history and purpose of Pub.L. 99-177, see 1985 U.S. Code

188

Comp. and Admin. News, p. 777, see also, FIN. L. 100-119, 1987 U.S. Code (Comp. and Admin. News, p. 379, Pub.L. 101-508, 1990 U.S. Code Cong. and Admin. News, p. 2017). LIBRARY REFERENCES United States 99-22. C.J.S. United States § 22, 23.

§ 905. Exempt programs and activities

(a) **Social Security benefits and tier 1 railroad retirement benefits**

Benefits payable under the old-age, survivors, and disability insurance program established under title II of the Social Security Act [42 U.S.C.A. § 401 et seq.] and benefits payable under section 3(a), 3(f)(3), 4(a), or 4(f) of the Railroad Retirement Act of 1974 [45 U.S.C.A. §§ 231(b)(3), 231(c)(a), and 231(c)(b)] shall be exempt from reduction under any order issued under this subchapter.

(b) **Veterans programs**

The following programs shall be exempt from reduction under any order issued under this subchapter:

National Service Life Insurance Fund (36-8132-0-7-701);

Service-Disabled Veterans Insurance Fund (36-4012-0-3-701);

Veterans Special Life Insurance Fund (36-8455-0-8-701);

Veterans Reopened Insurance Fund (36-4010-0-3-701);

United States Government Life Insurance Fund (36-8150-0-7-701);

Veterans Insurance and Indemnity (36-0120-0-1-701);

Special Therapeutic and Rehabilitation Activities Fund (36-4048-0-3-703);

Veterans' Carleen Service Revolving Fund (36-4014-0-3-705);

Benefits under chapter 21 of title 38, United States Code, relating to specially adapted housing and mortgage-protection life insurance for certain veterans with service-connected disabilities (36-0137-0-1-702);

Benefits under section 907 of title 38, United States Code, relating to burial benefits for veterans who die as a result of service-connected disability (36-0135-0-1-701);

Benefits under chapter 39 of title 38, United States Code, relating to automobiles and adaptive equipment for certain disabled veterans and members of the Armed Forces (36-0137-0-1-702);

Veterans' compensation (36-0153-0-1-701); and

Veterans' pensions (36-0154-0-1-701).

(c) **Net interest**

No reduction of payments for net interest (all of major functional category 900) shall be made under any order issued under this subchapter.

(d) **Earned income tax credit**

Payments to individuals made pursuant to section 32 of the Internal Revenue Code of 1954 [26 U.S.C.A. § 32] shall be exempt from reduction under any order issued under this subchapter.

(e) **Non-defense Unobligated Balances**

Unobligated balances of budget authority carried over from prior fiscal years, except balances in the defense category, shall be exempt from reduction under any order issued under this part.

(f) **Certain program bases**

(Outlays for programs specified in paragraph (1) of section 907 of this title shall be subject to reduction only in accordance with the procedures established in section 901(a)(3)(C) and 906(b) of this title.

(g) **Other programs and activities**

(1)(A) The following budget accounts and activities shall be exempt from reduction under any order issued under this subchapter:

189

Activities resulting from private donations, bequests, or voluntary contributions to the Government;
Administration of Territories, Northern Mariana Islands Covenant grants (14-0412-0-1-806);

Thrift Savings Fund (26-8141-0-7-602);

Alaska Power Administration, Operations and maintenance (89-0304-0-1-271); Appropriations for the District of Columbia (to the extent they are appropriations of locally raised funds);

Bonneville Power Administration fund and borrowing authority established pursuant to section 13 of Public Law 98-454 (1974), as amended (89-4045-0-3-271);

Bureau of Indian Affairs, miscellaneous payments to Indians (14-2303-0-1-452);

Bureau of Indian Affairs miscellaneous trust funds, tribal trust funds (14-9973-0-7-999);

Claims, defense (97-0102-0-1-051);

Claims, judgments, and relief acts (20-1895-0-1-806);

Coinage profit fund (20-5811-0-2-803);

Compensation of the President (11-0001-0-1-802);

Customs Service, miscellaneous permanent appropriations (20-9922-0-2-852);

Comptroller of the Currency;

Director of the Office of Thrift Supervision;

Dual benefits payments account (60-0111-0-1-601);

Eastern Indian land claims settlement fund (14-2202-0-1-806);

Exchange stabilization fund (20-4444-0-3-155);

Farm Credit System Financial Assistance Corporation, interest payments (20-1850-0-1-351);

Federal Deposit Insurance Corporation;

Federal Deposit Insurance Corporation, Bank Insurance Fund;

Federal Deposit Insurance Corporation, FSILC Resolution Fund;

Federal Deposit Insurance Corporation, Savings Association Insurance Fund;

Federal Housing Finance Board;

Federal payment to the railroad retirement account (60-0113-0-1-301);

Foreign military sales trust fund (11-8242-0-7-155);

Health professions graduate student loan insurance fund (Health, Education Assistance Loan Program) (75-4305-0-3-533);

Higher education facilities loans and insurance (91-0240-0-1-502);

Internal Revenue Collections for Puerto Rico (20-5737-0-2-852);

Intragovernmental funds, including those from which the outlays are derived primarily from resources paid in from other government accounts, except to the extent such funds are augmented by direct appropriations for the fiscal year during which an order is in effect;

Panama Canal Commission, operating expenses (95-5190-0-2-403), and Panama Canal Commission, capital outlay (95-5190-0-2-403);

Medical facilities guarantee and loan fund, Federal interest subsidies for medical facilities (75-4430-0-3-551);

National Credit Union Administration;

National Credit Union Administration, central liquidity facility;

National Credit Union Administration, credit union share insurance fund;

Payment of Vietnam and USS Pueblo prisoner-of-war claims (15-0104-0-1-153);

Payment to civil service retirement and disability fund (24-0200-0-1-816);

Payments to copyright owners (03-5175-0-2-376);

Payments to health care trust funds (75-0580-0-1-572);

Payments to military retirement fund (97-0040-0-1-054);

Compact of Free Association, economic assistance payments;

99-638 (14-0415-0-1-806);

Payments to social security trust funds (75-0404-0-1-571);

Payments to state and local government fiscal assistance trust fund (20-2111-0-1-851);

Payments to the foreign service retirement and disability fund (11-1036-0-1-153 and 19-0540-0-1-153);

Payments to trust funds from excise taxes or other receipts properly creditable to such trust funds;

Payments to the United States territories, fiscal assistance (14-0418-0-1-852);

Payments to widows and heirs of deceased Members of Congress (00-0215-0-1-801);

Postal service fund (18-4020-0-3-372);

Resolution Funding Corporation;

Resolution Trust Corporation;

Salaries of Article III judges;

Soldiers and Airmen's Home, payment of claims (84-8330-0-7-705);

Southeastern Power Administration, Operations and maintenance (89-0302-0-1-271);

Southwestern Power Administration, Operations and maintenance (89-0303-0-1-271);

Tennessee Valley Authority fund, except non-power programs and activities (64-4110-0-3-999);

Washington Metropolitan Area Transit Authority, interest payments (46-0300-0-1-401);

Western Area Power Administration, Construction, rehabilitation, operations, and maintenance (89-5068-0-2-271); and

Western Area Power Administration, Colorado River basins power marketing fund (89-4452-0-3-271);

(B) The following budget accounts and activities shall be exempt from reduction under any order issued under this subchapter:

Black lung benefits (20-8144-0-7-601);

Central Intelligence Agency retirement and disability system fund (56-3400-0-1-054);

Civil service retirement and disability fund (24-8135-0-7-602);

Comptrollers general retirement system (05-0107-0-1-801);

Foreign service retirement and disability fund (19-8186-0-7-602);

Judicial survivors' annuities fund (10-8110-0-7-4602);

Longshoremen's and harborworkers' compensation benefits (16-9971-0-7-601);

Military retirement fund (97-3007-0-7-602);

National Oceanic and Atmospheric Administration retirement (13-1450-0-1-306);

Pensions for former Presidents (47-0105-0-1-802);

Railroad retirement tier II (60-8011-0-7-601);

Railroad supplemental annuity pension fund (60-8012-0-7-602);

Retired pay, Coast Guard (69-0241-0-1-403);

Retirement pay and medical benefits for commissioned officers, Public Health Service (75-0379-0-1-551);

Special benefits, Federal Employees' Compensation Act (16-1521-0-1-600);

Special benefits for disabled coal miners (75-0409-0-1-601);

Special benefits for disabled coal miners (75-0409-0-1-601);

Tax Court judges survivors annuity fund (23-8115-0-7-602);

(2) Prior legal obligations of the Government in the following budget accounts and activities shall be exempt from any order issued under this subchapter:

191

Agency for International Development, Housing, and other credit guarantee programs (72-4340-0-3-151).

- Agricultural credit insurance fund (12-4140-0-3-851);
- Biomass energy development (20-0114-0-1-271);
- Check forgery insurance fund (20-4109-0-3-803);
- Community development grant loan guarantees (86-0162-0-1-451);
- Credit union share insurance fund (25-4468-0-3-371);
- Economic development revolving fund (13-4406-0-3-452);
- Employees life insurance fund (24-8424-0-3-602);
- Energy security reserve (Synthetic Fuels Corporation) (20-0112-0-1-271);
- Export-Import Bank of the United States, Limitation of program activity (83-4027-0-3-155);
- Federal Aviation Administration, Aviation insurance revolving fund (69-4120-0-3-402);
- Federal Crop Insurance Corporation fund (12-4085-0-3-851);
- Federal Deposit Insurance Corporation (51-8419-0-3-371);
- Federal Emergency Management Agency, National flood insurance fund (58-4236-0-3-453);
- Federal Emergency Management Agency, National insurance development fund (58-4235-0-3-451);
- Federal Housing Administration fund (86-4070-0-3-371);
- Federal ship financing fund (69-4301-0-3-403);
- Federal ship financing fund, fishing vessels (13-4417-0-3-376);
- Geothermal resources development fund (89-0206-0-1-271);
- Government National Mortgage Association, Guarantees of mortgage-backed securities (86-4238-0-3-371);
- Health education loans (75-4307-0-3-553);
- Homeowners assistance fund, Defense (97-4090-0-3-051);
- Indian loan guarantee and insurance fund (14-4410-0-3-452);
- International Trade Administration, Operations and administration (13-1250-0-1-376);
- Low-rent public housing, Loans and other expenses (86-4098-0-3-604);
- Maritime Administration, War-risk insurance revolving fund (69-4302-0-3-403);
- Overseas Private Investment Corporation (71-4030-0-3-151);
- Pension Benefit Guaranty Corporation fund (16-4204-0-3-601);
- Rail service assistance (69-0122-0-1-401);
- Railroad rehabilitation and improvement financing fund (69-4411-0-3-401);
- Rural development insurance fund (12-4155-0-3-452);
- Rural electric and telephone revolving fund (12-4230-8-3-271);
- Rural housing insurance fund (12-4141-0-3-371);
- Small Business Administration, Business loan and investment fund (73-4154-0-3-376);
- Small Business Administration, Lease guarantees revolving fund (73-4157-0-3-376);
- Small Business Administration, Pollution control equipment contract guarantee revolving fund (73-4147-0-3-376);
- Small Business Administration, Surety bond guarantees revolving fund (73-4156-0-3-376);
- Veterans Administration, Loan guaranty revolving fund (86-4025-0-3-704);
- Veterans Administration, Servicemen's group life insurance fund (86-4009-0-3-701).

(b) Low-income programs

The following programs shall be exempt from reduction under any order issued under this subchapter:

- Aid to families with dependent children (75-0412-0-1-609);
- Child nutrition (12-3539-0-1-605);
- Commodity supplemental food program (12-3512-0-1-605);
- Food stamp programs (12-3505-0-1-605 and 12-3550-0-1-605);
- Grants to States for Medicaid (75-0512-0-1-551);
- Supplemental Security Income Program (75-0406-0-1-609), and
- Women, infants, and children program (12-3510-0-1-605).

(h) Optional exemption of military personnel

- (1) The President may, with respect to any military personnel account, exempt that account from sequestration or provide for a lower uniform percentage reduction than would otherwise apply.
- (2) The President may not use the authority provided by paragraph (1) unless he notifies the Congress in the manner in which such authority will be exercised on or before the initial snapshot date for the budget year.

(i) Identification of programs

For purposes of subsections (g) and (h) of this section, programs are identified by the designated budget account identification code numbers set forth in the Budget of the United States Government, 1986—Appendix.

(Pub. L. 99-177, Title II, § 255, Dec. 12, 1986, 99 Stat. 1082, amended Pub. L. 99-509, Title VII, § 7092(a), Oct. 21, 1986, 100 Stat. 1949; Pub. L. 100-56, Title V, § 506(a), Aug. 10, 1987, 101 Stat. 634; Pub. L. 100-119, Title I, § 104(a)(1), (2), (b), (c)(1), Sept. 29, 1987, 101 Stat. 775-777; Pub. L. 101-73, Title VII, § 743(a), (c), Aug. 9, 1989, 101 Stat. 137; Pub. L. 101-220, § 8, Dec. 12, 1989, 103 Stat. 1881; Pub. L. 101-508, Title XIII, § 1310(c), Nov. 5, 1990, 104 Stat. 1388-589.)

150 in original. Two subsections, (h) were enacted.

Effective and Termination Dates of Section

For effective and termination dates of section by section 275 of Pub. L. 99-177, see *Effective and Termination Dates* note set out under section 900 of this title.

Historical and Statutory Notes

Reference in Text. The Social Security Act, referred to in subsection (a), is Act Aug. 14, 1935, c. 531, 49 Stat. 620, as amended, which is classified generally to chapter 7 (section 301 et seq.) of Title 42, The Public Health and Welfare. Title II thereof is classified to subchapter II (§ 401 et seq.) of chapter 7 of Title 42. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

The Railroad Retirement Act of 1934, referred to in subsection (a), is title I of Pub. L. 93-445, Oct. 16, 1974, 88 Stat. 1305, and is classified generally to subchapter IV (§ 231 et seq.) of chapter 9 of Title 45, Railroad. Such title I completely amended and revised the Railroad Retirement Act of 1937 (approved June 24, 1937, ch. 382, 50 Stat. 307), and as thus amended and revised, the 1937 Act was redesignated the Railroad Retirement Act of 1974. Previously, the 1937 Act had completely amended and revised the Railroad Retirement Act of 1934. Section 201 of the 1937 Act provided that the 1935 Act, as in force prior to amendment by the 1937 Act, may be cited as the Railroad Retirement Act of 1935; and that the 1935 Act, as amended by the 1937 Act may be cited as the Railroad Retirement Act of 1937. The Railroad Retirement Acts of 1935 and 1937 were classified to subchapter II (§ 215 et seq.) and subchapter III (§ 228a et seq.), respectively, of chapter 9 of Title 45.

Codification. Amendment by section 1310(c)(4) of Pub. L. 101-508, directing that a subsection, (b) be added "at the end" of this section, resulted in two subsections, (b), as this section already contained a subsection, (b).

1989 Amendments. Subsec. (g)(1)(A). Pub. L. 101-220 inserted "Farm Credit System Financial Assistance Corporation, interest payments (20-1850-0-1-315)."

Subsec. (g)(1)(A). Pub. L. 101-73, § 743(a)(1), inserted "Director of the Office of Thrift Supervision," following "Comptroller of the Currency." Pub. L. 101-73, § 743(a)(2), substituted "Federal Deposit Insurance Corporation, Bank Insurance Fund," "Federal Deposit Insurance Corporation, FSILC Resolution Fund," and "Federal Deposit Insurance Corporation, Savings Association Insurance Fund," for "Federal Home Loan Bank Board." Pub. L. 101-73, § 743(a)(3), substituted "Federal Housing Finance Board" for "Federal Home Loan Bank Board, Federal Savings and Loan Insurance Corporation."

Pub. L. 101-73, § 743(a)(4), inserted "Resolution Funding Corporation," and "Resolution Trust Corporation," following "Postal service fund (18-4020-0-3-372)."

Subsec. (g)(2). Pub. L. 101-73, § 743(c), struck out "Federal Savings and Loan Insurance Corporation fund (82-4037-0-3-371)," following "Federal Housing Administration fund (86-4070-0-3-371)."

1987 Amendments. Subsec. (b). Pub. L. 100-119, § 104(b)(1), added items relating to the National Service Life Insurance Fund, the Service-Disabled Veterans Insurance Fund, the Veterans Special Life Insurance Fund, the Veterans Reopened Insurance Fund, the United States Government Life Insurance Fund, Veterans Insurance and Indemnity, Special Therapeutic and Rehabilitation Activities Fund, the Veterans Career Service Revolving Fund, benefits under chapter 21 of Title 38 relating to specially adapted and mortgage-protection life insurance for certain veterans and service-connected disabilities, benefits under section 907 of Title 38 relating to burial benefits for veterans who die as a result of service-connected disability, and benefits under chapter 39 of Title 38 relating to automobiles and adaptive equipment for certain disabled veterans and members of the Armed Forces.

Subsec. (g)(1). Pub. L. 100-86, § 506(a)(1), inserted after the item relating to "Compensation of the President" the item "Comptroller of the Currency."

Pub. L. 100-86, § 506(a)(2), inserted after the item relating to "Exchange stabilization fund" the items

"Federal Deposit Insurance Corporation;
"Federal Home Loan Bank Board;
"Federal Home Loan Bank Board, Federal Savings and Loan Insurance Corporation;"

Pub. L. 100-86, § 506(a)(3), inserted after the item relating to "Intragovernmental funds" the items

"National Credit Union Administration;
"National Credit Union Administration, central liquidity facility;
"National Credit Union Administration, credit union share insurance fund;"

Subsec. (g)(1)(A). Pub. L. 100-119, § 104(b)(3), designated existing provisions of part (1) as subpart. (A) thereof by inserting "(A)" preceding "The following budget accounts."

Pub. L. 100-119, § 104(b)(2)(A), added item relating to medical facilities guarantee and loan fund, Federal interest subsidies for medical facilities.

Pub. L. 100-119, § 104(b)(2)(B), added item relating to higher education facilities loans and insurance.

Pub. L. 100-119, § 104(b)(2)(C), added item relating to Bureau of Indian Affairs, miscellaneous payments to Indians.

Pub. L. 100-119, § 104(b)(2)(D), added item relating to payments to widows and heirs of deceased Members of Congress.

Pub. L. 100-119, § 104(b)(2)(E), added item relating to the Thrift Savings Fund.

Pub. L. 100-119, § 104(b)(2)(F), added item relating to Washington Metropolitan Area Transit Authority, interest payments.

Pub. L. 100-119, § 104(b)(2)(A), added item relating to Panama Canal Commission operating expenses and Panama Canal Commission capital outlay.

Pub. L. 100-119, § 104(b)(2)(B), added item relating to payments to the United States territories, fiscal assistance.

Pub. L. 100-119, § 104(b)(2)(C), added item relating to Customs Service, miscellaneous permit appropriations.

Pub. L. 100-119, § 104(b)(2)(D), added item relating to Internal Revenue Collections for Puerto Rico.

Pub. L. 100-119, § 104(b)(2)(E), added item relating to Administration of Territories, Northern Mariana Islands Covenant grants.

Pub. L. 100-119, § 104(b)(2)(F), added item relating to Compact of Free Association, economic assistance pursuant to Public Law 99-658.

Subsec. (g)(1)(B). Pub. L. 100-119, § 104(b)(3), added subpart. (B).

Subsec. (g)(2). Pub. L. 100-119, § 104(c)(1), struck out the following items: "Veteran Administration, National service life insurance fund (36-8132-0-7-70); Veterans Administration, (36-4012-0-3-70); Veterans Administration, (36-4012-0-3-70); Veterans Administration, (36-5150-0-7-70); Veterans Administration, (36-5150-0-7-70); Veterans Administration, (36-0120-0-1-70); Veterans Administration, (36-4010-0-3-70); and Veterans Administration, Veterans special life insurance fund (36-8455-0-8-70)."

Subsec. (b). Pub. L. 100-119, § 104(b)(1), added item relating to commodity supplemental food program.

1986 Amendment. Subsec. (g)(1). Pub. L. 99-509, § 7002(a), added "Dual benefits payments account (60-0111-0-1-601)" following the item relating to the Compensation of the President.

Effective Date of 1986 Amendment. Section 7002(b) of Pub. L. 99-509 provided that: "The amendment made by subsection (a) [amending this section] shall apply to fiscal years beginning after September 30, 1986."

Separability of Provisions. If any provision of Pub. L. 101-73 or the application thereof to any person or circumstance is held invalid, the remainder of the provision is held invalid, the remainder of the provision to other persons not to be affected thereby, or to other circumstances not to be affected thereby, see section 1205 of Pub. L. 100-86, set out as a note under section 226 of Title 12, Banks and Banking.

If any provision of Pub. L. 100-86 or the application thereof to any person or circumstance is held invalid, the remainder of the provision is held invalid, the remainder of the provision to other persons not to be affected thereby, or to other circumstances not to be affected thereby, see section 1205 of Pub. L. 100-86, set out as a note under section 226 of Title 12, Banks and Banking.

Legislative History. For legislative history and purpose of Pub. L. 99-177, see 1995 U.S. Code Cong. and Adm. News, p. 979. See also, Pub. L. 99-509, 1986 U.S. Code Cong. and Adm. News, p. 3607; Pub. L. 100-86, 1987 U.S. Code Cong. and Adm. News, p. 489; Pub. L. 100-119, 1987 U.S. Code Cong. and Adm. News, p. 739; Pub. L. 101-508, 1990 U.S. Code Cong. and Adm. News, p. 2017.

LAW REVIEW COMMENTARIES
Rewriting the fiscal constitution: The case of Gramm-Rudman-Hollings. Kate Stith, 76 Cal. L. Rev. 593 (1988).

§ 906. Exceptions, limitations, and special rules

(a) Automatic spending increases

Automatic spending increases are increases in outlays due to changes in indexes in the following programs:

(1) National Wool Act [7 U.S.C.A. § 1781 et seq.];

(2) Special milk program; and

(3) Vocational rehabilitation basic State grants.

In those programs all amounts other than the automatic spending increases shall be exempt from reduction under any order issued under this subchapter.

(b) Effect of orders on the guaranteed student loan program

(1) Any reductions which are required to be achieved from the student loan programs operated pursuant to part B of title IV of the Higher Education Act of 1965 [20 U.S.C.A. § 1071 et seq.], as a consequence of an order issued pursuant to section 904 of this title, shall be achieved only from loans described in paragraphs (2) and (3) by the application of the measures described in such paragraphs.

(2) For any loan made during the period beginning on the date that an order issued under section 904 of this title takes effect with respect to a fiscal year and ending at the close of such fiscal year, the rate used in computing the special allowance payment pursuant to section 438(b)(2)(A)(iii) of such Act [20 U.S.C.A. § 1087-1(b)(2)(A)(iii)] for each of the first four special allowance payments for such loan shall be adjusted by reducing such rate by the lesser of—

(A) 0.40 percent, or

(B) the percentage by which the rate specified in such section exceeds 3 percent.

(3) For any loan made during the period beginning on the date that an order issued under section 904 of this title takes effect with respect to a fiscal year and ending at the close of such fiscal year, the origination fee which is authorized to be collected pursuant to section 438(c)(2) of such Act [20 U.S.C.A. § 1087-1(c)(2)] shall be increased by 0.50 percent.

(c) Treatment of foster care and adoption assistance programs

Any order issued by the President under section 904 of this title shall make the reduction which is otherwise required under the foster care and adoption assistance programs (established by part E of title IV of the Social Security Act [42 U.S.C.A. § 670 et seq.]) only with respect to payments and expenditures made by States in which increases in foster care maintenance payment rates or adoption assistance payment rates (or both) are to take effect during the fiscal year involved and only to the extent that the required reduction can be accomplished by applying a uniform percentage reduction to the Federal matching payments that each such State would otherwise receive under section 474 of that Act [42 U.S.C.A. § 674] (for such fiscal year) for that portion of the State's payments which is attributable to the increases taking effect during that year. No State's matching payments from the Federal Government for foster care maintenance payments or for adoption assistance maintenance payments may be reduced by a percentage exceeding the applicable domestic sequestration percentage. No State may, after December 12, 1985, make any change in the timetable for making payments under a State plan approved under part E of title IV of the Social Security Act [42 U.S.C.A. § 670 et seq.] which has the effect of changing the fiscal year in which expenditures under such part are made.

(d) Special rules for Medicare program

(1) Calculation of reduction in individual payment amounts

To achieve the total percentage reduction in those programs required by sections 902 of this title and 903 of this title, and notwithstanding section 710 of the Social Security Act [42 U.S.C.A. § 911], OMB shall determine, and the

programs under title XVIII of the Social Security Act [42 U.S.C.A. § 1395 et seq.] for services furnished after the order is issued, such that the reduction made in payments under that order shall achieve the required total percentage reduction in those payments for that fiscal year as determined on a 12-month basis.

(2) Timing of application of reductions

(A) In general

Except as provided in subparagraph (B), if a reduction is made under paragraph (1) in payment amounts pursuant to a sequestration order, the reduction shall be applied to payment for services furnished during the effective period of the order. For purposes of the previous sentence, in the case of inpatient services furnished for an individual, the services shall be considered to be furnished on the date of the individual's discharge from the inpatient facility.

(B) Payment on basis of cost reporting periods

In the case in which payment for services of a provider of services is made under title XVIII of the Social Security Act [42 U.S.C.A. § 1395 et seq.] on a basis relating to the reasonable cost incurred for the services during a cost reporting period of the provider, if a reduction is made under paragraph (1) in payment amounts pursuant to a sequestration order, the reduction shall be applied to payment for costs for such services incurred at any time during each cost reporting period of the provider any part of which occurs during the effective period of the order, but only for each such cost reporting period in the same proportion as the fraction of the cost reporting period that occurs during the effective period of the order.

(3) No increase in beneficiary charges in assignment-related cases

If a reduction in payment amounts is made under paragraph (1) for services for which payment under part B of title XVIII of the Social Security Act [42 U.S.C.A. § 1395 et seq.] is made on the basis of an assignment described in section 1842(b)(3)(B)(ii) [42 U.S.C.A. § 1395u(b)(3)(B)(ii)], in accordance with section 1842(b)(6)(B) [42 U.S.C.A. § 1395u(b)(6)(B)], or under the procedure described in section 1870(f)(1) [42 U.S.C.A. § 1395g(f)(1)], of such Act, the person furnishing the services shall be considered to have accepted payment of the reasonable charge for the services, less any reduction in payment amount made pursuant to a sequestration order, as payment in full.

(4) No effect on computation of adjusted average per capita cost

In computing the adjusted average per capita cost for purposes of section 1876(a)(4) of the Social Security Act [42 U.S.C.A. § 1395mm(a)(4)], the Secretary of Health and Human Services shall not take into account any reductions in payment amounts which have been or may be effected under this subchapter.

(e) Community and migrant health centers, Indian health services and facilities, and veterans' medical care

(1) The maximum permissible reduction in budget authority for any account listed in paragraph (2) for any fiscal year, pursuant to an order issued under section 902 of this title, shall be—

- (A) 1 percent in the case of the fiscal year 1986, and
- (B) 2 percent in the case of any subsequent fiscal year.

(2) The accounts referred to in paragraph (1) are as follows:

- (A) Community health centers (75-0350-0-1-550).
- (B) Migrant health centers (75-0350-0-1-550).
- (C) Indian health facilities (75-0391-0-1-551).
- (D) Indian health services (75-0390-0-1-551).
- (E) Veterans' medical care (36-0160-0-1-703).

For purposes of the preceding provisions of this paragraph, programs are identified by the designated budget account identification code numbers set forth in the budget of the United States Government—Appendix.

(f) Treatment of child support enforcement program

Notwithstanding any change in the display of budget accounts, any order issued by the President under section 904 of this title shall accomplish the full amount of any required reduction in expenditures under sections 465 and 468 of the Social Security Act [42 U.S.C.A. §§ 655 and 658] by reducing the Federal matching rate for State administrative costs under such program, as specified (for the fiscal year involved) in section 455(a) of such Act [42 U.S.C.A. § 655(a)], to the extent necessary to reduce such expenditures by that amount.

(g) Federal pay

(1) In general

For purposes of any order issued under section 904 of this title—

- (A) Federal pay under a statutory pay system, and
- (B) elements of military pay,

shall be subject to reduction under an order in the same manner as other administrative expense components of the Federal budget; except that no such order may reduce or have the effect of reducing the rate of pay to which any individual is entitled under any such statutory pay system (as increased by any amount payable under section 5304 of Title 5, or section 302 of the Federal Employees Pay Comparability Act of 1990) or the rate of any element of military pay to which any individual is entitled under Title 37, or any increase in rates of pay which is scheduled to take effect under section 5305 of Title 5, section 1009 of Title 37, or any other provision of law.

(2) Definitions

For purposes of this subsection:

- (A) The term "statutory pay system" shall have the meaning given that term in section 5302(1) of Title 5.
- (B) The term "elements of military pay" means—
 - (i) the elements of compensation of members of the uniformed services specified in section 1009 of Title 37,
 - (ii) allowances provided members of the uniformed services under sections 403a and 405 of such title, and
 - (iii) cadet pay and midshipman pay under section 203(c) of such title.
- (C) The term "uniformed services" shall have the meaning given that term in section 101(3) of Title 37.

(h) Treatment of Federal administrative expenses

(1) Notwithstanding any other provision of this title, administrative expenses incurred by the departments and agencies, including independent agencies, of the Federal Government in connection with any program, project, activity, or account shall be subject to reduction pursuant to an order issued under section 904 of this title, without regard to any exemption, exception, limitation, or special rule which is otherwise applicable with respect to such program, project, activity, or account under this subchapter.

(2) Notwithstanding any other provision of law, administrative expenses of any program, project, activity, or account which is self-supporting and does not receive appropriations shall be subject to reduction under a sequestration order, unless specifically exempted in this joint resolution.

(3) Payments made by the Federal Government to reimburse or match administrative costs incurred by a State or political subdivision under or in connection with any program, project, activity, or account shall not be considered administrative expenses of the Federal Government for purposes of this section, and shall be subject to reduction or sequestration under this subchapter to the extent (and only to the extent) that other payments made by the Federal Government under or in connection with that program, project, activity, or account are subject to such reduction or

sequestration, except that Federal payments made to a State as reimbursement of administrative costs incurred by such State under or in connection with the unemployment compensation programs specified in subsection (b)(1) of this section shall be subject to reduction or sequestration under this subchapter notwithstanding the exemption otherwise granted to such programs under that subsection.

(4) Notwithstanding any other provision of law, this subsection shall not apply with respect to the following:

- (A) Comptroller of the Currency.
- (B) Federal Deposit Insurance Corporation.
- (C) Office of Thrift Supervision.
- (D) Office of Thrift Supervision.¹
- (E) National Credit Union Administration.
- (F) National Credit Union Administration, central liquidity facility.
- (G) Federal Retirement Thrift Investment Board.
- (H) Resolution Funding Corporation.
- (I) Resolution Trust Corporation.

(1) Treatment of payments and advances made with respect to unemployment compensation programs

(1) For purposes of section 904 of this title—

(A) any amount paid as regular unemployment compensation by a State from its account in the Unemployment Trust Fund (established by section 904(a) of the Social Security Act [42 U.S.C.A. § 1104(a)]).

(B) any advance made to a State from the Federal unemployment account (established by section 904(g) of such Act [42 U.S.C.A. § 1104(g)]) under title XII of such Act [42 U.S.C.A. § 1321 et seq.] and any advance appropriated to the Federal unemployment account pursuant to section 1203 of such Act [42 U.S.C.A. § 1323], and

(C) any payment made from the Federal Employees Compensation Account (as established under section 909 of such Act [42 U.S.C.A. § 1109]) for the purpose of carrying out chapter 85 of Title 5 [5 U.S.C.A. § 8501 et seq.] and funds appropriated or transferred to or otherwise deposited in such Account, shall not be subject to reduction.

(2)(A) A State may reduce each weekly benefit payment made under the Federal-State Extended Unemployment Compensation Act of 1970 [26 U.S.C.A. § 3304 note] for any week of unemployment occurring during any period with respect to which payments are reduced under an order issued under section 904 of this title by a percentage not to exceed the percentage by which the Federal payment to the State under section 204 of such Act is to be reduced for such week as a result of such order.

(B) A reduction by a State in accordance with subparagraph (A) shall be not be considered, as a failure to fulfill the requirements of section 3304(a)(11) of the Internal Revenue Code of 1954 [26 U.S.C.A. § 3304(A)(11)].

(J) Commodity Credit Corporation

(1) Powers and authorities of Commodity Credit Corporation

This title shall not restrict the Commodity Credit Corporation in the discharge of its authority and responsibility as a corporation to buy and sell commodities in world trade, to use the proceeds as a revolving fund to meet other obligations and otherwise operate as a corporation, the purpose for which it was created.

(2) Reduction in payments made under contracts

(A) Payments and loan eligibility under any contract entered into with a person by the Commodity Credit Corporation prior to the time an order has been issued under section 904 of this title shall not be reduced by an order subsequently issued. Subject to subparagraph (B), after an order is issued under such section for a fiscal year, any cash payments made by the Commodity Credit Corporation—

(1) under the terms of any one-year contract entered into in such fiscal year and after the issuance of the order; and

(ii) out of an entitlement account, to any person (including any producer, lender, or guarantee entity) shall be subject to reduction under the order.

(B) Each contract entered into with producers or producer cooperatives with respect to a particular crop of a commodity and subject to reduction under subparagraph (A) shall be reduced in accordance with the same terms and conditions. If some, but not all, contracts applicable to a crop of a commodity have been entered into prior to the issuance of an order under section 904 of this title, the order shall provide that the necessary reduction in payments under contracts applicable to that commodity be uniformly applied to all contracts for the next succeeding crop of the commodity, under the authority provided in paragraph (3).

(3) Delayed reduction in outlay is permissible

Notwithstanding any other provision of this joint resolution, if an order under section 904 of this title is issued with respect to a fiscal year, any reduction under the order applicable to contracts described in paragraph (1) may provide for reductions in outlays for the account involved to occur in the fiscal year following the fiscal year to which the order applies. No other account, or other program, project, or activity, shall bear an increased reduction for the fiscal year to which the order applies as a result of the operation of the preceding sentence.

(4) Uniform percentage rate of reduction and other limitations

All reductions described in paragraph (2) which are required to be made in connection with an order issued under section 904 of this title with respect to a fiscal year—

(A) shall be made so as to ensure that outlays for each program, project, activity, or account involved are reduced by a percentage rate that is uniform for all such programs, projects, activities, and accounts, and may not be made so as to achieve a percentage rate of reduction in any such item exceeding the rate specified in the order; and

(B) with respect to commodity price support and income protection programs, shall be made in such manner and under such procedures as will attempt to ensure that—

(i) uncertainty as to the scope of benefits under any such program is minimized;

(ii) any instability in market prices for agricultural commodities resulting from the reduction is minimized, and

(iii) normal production and marketing relationships among agricultural commodities (including both contract and non-contract commodities) are not distorted.

In meeting the criterion set out in clause (iii) of subparagraph (B) of the preceding sentence, the President shall take into consideration that reductions under an order may apply to programs for two or more agricultural commodities that use the same type of production or marketing resources or that are alternative commodities among which a producer could choose in making annual production decisions.

(5) No double reduction

No agricultural price support or income protection program that is subject to reduction under an order issued under section 904 of this title for a fiscal year may be subject, as well, to modification or suspension under such order as an automatic spending increase.

(6) Certain authority not to be limited

Nothing in this joint resolution shall limit or reduce, in any way, any appropriation that provides the Commodity Credit Corporation with budget authority to cover the Corporation's net realized losses.

(k) Special Rules for the JOBS portion of AFDC

(1) Full amount of sequestration required

Any order issued by the President under section 904 of this title shall accomplish the full amount of any required sequestration of the job opportunities and basic skills training program under section 402(a)(19) [42 U.S.C.A. § 602(a)(19)], and part F of title VI, of the Social Security Act, in the manner specified in this subsection. Such an order may not reduce any Federal matching rate pursuant to section 403(f) of the Social Security Act [42 U.S.C.A. § 603(f)].

(2) New allotment formula

(a) General rule

Notwithstanding section 403(k) of the Social Security Act [42 U.S.C.A. § 603(k)], each State's percentage share of the amount available after sequestration for direct spending pursuant to section 403(f) of such Act [42 U.S.C.A. § 603(f)] for the fiscal year to which the sequestration applies shall be equal to—

(i) the lesser of—

(I) that percentage of the total amount paid to the States pursuant to such section 403(f) for the prior fiscal year that is represented by the amount paid to such State pursuant to such section 403(f) [42 U.S.C.A. § 603(f)] for the prior fiscal year; or

(II) the amount that would have been allotted to such State pursuant to such section 403(k) [42 U.S.C.A. § 603(k)] had the sequestration not been in effect.

(B) Reallocation of amounts remaining unallotted after application of general rule

Any amount made available after sequestration for direct spending pursuant to section 403(f) of the Social Security Act [42 U.S.C.A. § 603(f)] for the fiscal year to which the sequestration applies that remains unallotted as a result of subparagraph (A) of this paragraph shall be allotted among the States in proportion to the absolute difference between the amount allotted, respectively, to each State as a result of such subparagraph and the amount that would have been allotted to such State pursuant to section 403(k) [42 U.S.C.A. § 603(k)] of such Act had the sequestration not been in effect, except that a State may not be allotted an amount under this subparagraph that results in a total allotment to the State under this paragraph of more than the amount that would have been allotted to such State pursuant to such section 403(k) [42 U.S.C.A. § 603(k)] had the sequestration not been in effect.

(D) Effects of sequestration

The effects of sequestration shall be as follows:

(1) Budgetary resources sequestered from any account other than a trust or special fund account shall be permanently cancelled.

(2) Except as otherwise provided, the same percentage sequestration shall apply to all programs, projects, and activities within a budget account (with programs, projects, and activities as delineated in the appropriation Act or accompanying report for the relevant fiscal year covering that account, or for accounts not included in appropriation Acts, as delineated in the most recently submitted President's budget).

(3) Administrative regulations or similar actions implementing a sequestration shall be made within 120 days of the sequestration order. To the extent that formula allocations differ at different levels of budgetary resources within an account, program, project, or activity, the sequestration shall be interpreted as producing a lower total appropriation, with the remaining amount of the appropriation being obligated in a manner consistent with program allocation formulas in substantive law.

(4) Except as otherwise provided, obligations in sequestered accounts shall be reduced only in the fiscal year in which a sequester occurs.

(5) If an automatic spending increase is sequestered, the increase (in the applicable index) that was disregarded as a result of that sequestration shall not be taken into account in any subsequent fiscal year.

(6) Except as otherwise provided, sequestration in trust and special fund accounts for which obligations are indefinite shall be taken in a manner to ensure that obligations in the fiscal year of a sequestration are reduced, from the level that would actually have occurred, by the applicable sequestration percentage.

(Pub. L. 99-177, Title II, § 256, Dec. 12, 1986, 99 Stat. 1086, amended Pub. L. 100-86, Title V, § 506(b), Aug. 10, 1987, 101 Stat. 634; Pub. L. 100-119, Title I, § 102(b)(2), (b), (11), 104(a)(3), (4), Sept. 29, 1987, 101 Stat. 773, 775, 776; Pub. L. 101-73, Title VII, § 743(b), Aug. 9, 1989, 103 Stat. 437; Pub. L. 101-508, Title XIII, § 13101(d), Nov. 5, 1990, 104 Stat. 1388-589; Pub. L. 101-509, Title I, § 1010(k)(2)(A), (4)(H), Nov. 5, 1990, 104 Stat. 1439, 1440)

1 So in original. See Amendment notes under this section.

Effective and Termination Dates of Section

For effective and termination dates of section 375 of Pub. L. 99-177, see *Effective and Termination Dates* note set out under section 900 of this title.

Historical and Statutory Notes

References in Text. The National Wool Act, referred to in subsection (a)(1), is Title VII of Act Aug. 28, 1934, c. 423, 68 Stat. 910, as amended, which is classified generally to chapter 44 (section 1781 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 1781 of Title 7 and Tables.

The Higher Education Act of 1965, referred to in subsection (b), is Pub. L. 89-329, Nov. 8, 1965, 79 Stat. 1219, and is classified generally to chapter 28 (section 1001 et seq.) of Title 20, Education. Part B of Title IV of such Act is classified generally to part B (section 1071 et seq.) of subchapter IV of chapter 28 of Title 20. Section 438 of such Act, referred to in subsection (c), is classified to section 1087-1 of Title 20. For complete classification of such Act to the Code, see Short Title note under section 1001 of Title 20.

The Social Security Act, referred to in subsections (b), (c), (d), (f), (g), and (h), is Act Aug. 14, 1935, c. 531, 49 Stat. 620, as amended, which is classified generally to chapter 7 (section 301 et seq.) of Title 42, The Public Health and Welfare. Part E of Title IV of such Act, referred to in subsection (e), is classified to part E (section 670 et seq.) of subchapter IV of chapter 7 of Title 42. Title XVIII of such Act, referred to in subsection (d), is classified generally to subchapter XVIII (section 1395 et seq.) of chapter 7 of Title 42. Title XIX of such Act, referred to in subsection (f), is classified to subchapter XII (section 1321 et seq.) of chapter 7 of Title 42. The reference to "part F of title VI" of such Act, in subsection (k)(1), was probably meant as a reference to part F of Title IV of such Act, which is classified to part F (section 681 et seq.) of subchapter IV of chapter 7 of Title 42, as there is no part F of Title VI of such Act. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

The Federal State Extended Unemployment Compensation Act of 1970, referred to in subsection (k)(2)(A), is Pub. L. 91-373, Title II, § 201 et seq., Aug. 10, 1970, 84 Stat. 708, as amended, which is set out as a note under section 3304 of Title 26, Internal Revenue Code.

Codification. Amendment by Pub. L. 101-73, § 743(b) was executed to this section, notwithstanding incorrect parenthetical reference in directory language to section 256 of this title, as the probable intent of Congress.

1989 Amendment. Subsec. (b)(4)(C), Pub. L. 101-73, § 743(b)(1), substituted "Office of Thrift Supervision" for "Federal Home Loan Bank Board."

Subsec. (b)(4)(D), Pub. L. 101-73, § 743(b)(2), substituted "Office of Thrift Supervision," for "Federal Savings and Loan Insurance Corporation."

Subsec. (b)(4)(H), (I), Pub. L. 101-73, § 743(b)(3) added subpars. (H) and (I).

1987 Amendments. Subsec. (a)(2), Pub. L. 100-119, § 102(b)(2), substituted "Any amounts of new budget authority, unobligated balances; new loan guarantee commitments or limitations; new direct loan obligations, commitments, or limitations; spending authority as defined in section 651(c)(2) of this title; or obligation limitations which are reduced under an order issued under section 902 of this title are permanently cancelled, with the exception of amounts sequestered or reduced in special or trust funds" for "Any amount of new budget authority, unobligated balances, new direct loan obligations, commitments, new direct loan obligations, spending authority (as defined in section 651(c)(2) of this title), or obligation limitations which is sequestered or reduced pursuant to an order issued under section 902 of this title is permanently cancelled, with the exception of amounts sequestered in special or trust funds."

Subsec. (b)(4), Pub. L. 100-86, § 506(b), added par. (4).

Subsec. (b)(4)(G), Pub. L. 100-119, § 104(a)(3), added subpar. (G).

Subsec. (d)(1)(B), Pub. L. 100-119, § 102(b)(1), inserted "or such higher percentage as may apply as determined in accordance with section 902(a)(4)(B)(i) of this title."

Subsec. (e), Pub. L. 100-119, § 104(a)(4), substituted "Notwithstanding any change in the

play of budget accounts, any order" for "Any order".

Subsec. (1). Pub.L. 100-119, § 102(b)(3), struck out provisions which had created an "existing contract" exception to the rule of obligated balance not being subject to reduction under an order issued under section 902 of this title, under which existing contracts in major functional category 050 (other than (A) those contracts which included a specified penalty for cancellation or modification by the Government and which if so cancelled or modified would have resulted (due to such penalty) in a net loss to the Government for the fiscal year, and (B) those contracts the reduction of which would have violated the legal obligations of the Government) were subject to reduction, in accordance with section 901(d)(3) of this title, under an order issued under section 902 of this title.

Effective Date of 1990 Amendment. Amendment by Pub.L. 101-509 effective on such date as the President shall determine, but not earlier than 90 days, and not later than 180 days, after Nov. 5, 1990, see section 305 of Pub.L. 101-509 set out as a note under section 1301 of Title 5, Government Organization and Employees.

Separability of Provisions. If any provision of Pub.L. 101-73 or the application thereof to any person or circumstance is held invalid, the remainder of Pub.L. 101-73 and the application of the

§ 907. The baseline

(a) In general

For any budget year, the baseline refers to a projection of current-year levels of new budget authority, outlays, revenues, and the surplus or deficit into the budget year and the outyears based on laws enacted through the applicable date.

(b) Direct spending and receipts

For the budget year and each outyear, the baseline shall be calculated using the following assumptions:

(1) In general

Laws providing or creating direct spending and receipts are assumed to operate in the manner specified in those laws for each such year and funding for entitlement authority is assumed to be adequate to make all payments required by those laws.

(2) Exceptions

(A) No program with estimated current-year outlays greater than \$50 million shall be assumed to expire in the budget year or outyears.

(B) The increase for veterans' compensation for a fiscal year is assumed to be the same as that required by law for veterans' pensions unless otherwise provided by law enacted in that session.

(C) Excise taxes dedicated to a trust fund, if expiring, are assumed to be extended at current rates.

(3) Hospital Insurance Trust Fund

Notwithstanding any other provision of law, the receipts and disbursements of the Hospital Insurance Trust Fund shall be included in all calculations required by this Act.

provision to other persons not similarly situated or to other circumstances not to be affected thereby, see section 1221 of Pub.L. 101-73, set out as a note under section 1811 of Title 12, Banks and Banking.

If any provision of Pub.L. 100-86 or the application thereof to any person or circumstance is held invalid, the remainder of Pub.L. 100-86 and the application of the provision to other persons not similarly situated or to other circumstances not to be affected thereby, see section 1205 of Pub.L. 100-86, set out as a note under section 226 of Title 12, Banks and Banking.

Legislative History. For legislative history and purpose of Pub.L. 99-177, see 1983 U.S. Code Cong. and Admin. News, p. 979. See, also, Pub.L. 100-86, 1987 U.S. Code Cong. and Admin. News, p. 489; Pub.L. 100-119, 1987 U.S. Code Cong. and Admin. News, p. 739; Pub.L. 101-508, 1990 U.S. Code Cong. and Admin. News, p. 2017.

Law Review Commentaries

Rewriting the fiscal constitution: The case of Gramm-Rudman-Hollings. Kate Stih, 76 Cal. L. Rev. 593 (1988).

Library References

United States § 82(1).
C.J.S. United States § 122.

(c) Discretionary appropriations

For the budget year and each outyear, the baseline shall be calculated using the following assumptions regarding all amounts other than those covered by subsection (b) of this section:

(1) Inflation of current-year appropriations

Budgetary resources other than unobligated balances shall be at the level provided for the budget year in full-year appropriation Acts. If for any account a full-year appropriation has not yet been enacted, budgetary resources other than unobligated balances shall be at the level available in the current year, adjusted sequentially and cumulatively for expiring housing contracts as specified in paragraph (2), for social insurance administrative expenses as specified in paragraph (3), to offset pay absorption and for pay annualization as specified in paragraph (4), for inflation as specified in paragraph (5), and to account for changes required by law in the level of agency payments for personnel benefits other than pay.

(2) Expiring housing contracts

New budget authority to renew expiring multiyear subsidized housing contracts shall be adjusted to reflect the difference in the number of such contracts that are scheduled to expire in that fiscal year and the number expiring in the current year, with the per-contract renewal cost equal to the average current-year cost of renewal contracts.

(3) Social insurance administrative expenses

Budgetary resources for the administrative expenses of the following trust funds shall be adjusted by the percentage change in the beneficiary population from the current year to that fiscal year: the Federal Hospital Insurance Trust Fund, the Supplementary Medical Insurance Trust Fund, the Unemployment Trust Fund, and the railroad retirement account.

(4) Pay annualization; offset to pay absorption

Current-year new budget authority for Federal employees shall be adjusted to reflect the full 12-month costs (without absorption) of any pay adjustment that occurred in that fiscal year.

(5) Inflation

The inflator used in paragraph (1) to adjust budgetary resources relating to personnel shall be the percent by which the average of the Bureau of Labor Statistics Employment Cost Index (wages and salaries, private industry workers) for that fiscal year differs from such index for the current year. The inflator used in paragraph (1) to adjust all other budgetary resources shall be the percent by which the average of the estimated gross national product fixed-weight price index for that fiscal year differs from the average of such estimated index for the current year.

(6) Current-year appropriations

If, for any account, a continuing appropriation is in effect for less than the entire current year, then the current-year amount shall be assumed to equal the amount that would be available if that continuing appropriation covered the entire fiscal year. If law permits the transfer of budget authority among budget accounts in the current year, the current-year level for an account shall reflect transfers accomplished by the submission of, or assumed for the current year in, the President's original budget for the budget year.

(d) Up-to-date concepts

In deriving the baseline for any budget year or outyear, current-year amounts shall be calculated using the concepts and definitions that are required for that budget year.

(c) **Sale of assets or prepayment of loans**

The sale of an asset or prepayment of a loan shall not alter the deficit or produce any net deficit reduction in the budget baseline, except that the budget baseline estimate shall include asset sales mandated by law before September 18, 1987, and routine, ongoing asset sales and loan prepayments at levels consistent with agency operations in fiscal year 1986.

(Pub.L. 99-177, Title II, § 257, Dec. 12, 1986, 99 Stat. 1092, amended Pub.L. 100-119, Title I, § 1020(b)(4)-(6), 104 Stat. 1060, Sept. 29, 1990, 104 Stat. 773, 774, 777, 780; Pub.L. 101-508, Title XIII, § 13101(b), (e), Nov. 5, 1990, 104 Stat. 1888-889.)

Effective and Termination Dates of Section

For effective and termination dates of section 275 of Pub.L. 99-177, see Effective and Termination Dates note set out under section 900 of this title.

Historical and Statutory Notes

References in Text. This Act, referred to in subtitle (B)(3), means Title II of Pub.L. 99-177, Dec. 12, 1986, 99 Stat. 1037 as amended, popularly known as the Balanced Budget and Emergency Deficit Control Act of 1985, which enacted this chapter and sections 602, 622, 631 to 642, and 651 to 653 of this title, sections 1104 to 1106, 1109, and 3101 of Title 31, Money and Finance, and section 911 of Title 42, The Public Health and Welfare, repealed section 661 of this title, and enacted provisions set out as notes under section 900 of this title and section 911 of Title 42. For complete classification of this Act to the Code, see Short Title note set out under section 900 of this title and Tables.

1987 Amendment. Par. (1). Pub.L. 100-119, § 104(c)(2), struck out provisions under which the term "automatic spending increase", for purposes of this title, had meant increases in budget outlays due to changes in indexes in the following Federal programs:

Black lung benefits (20-8144-0-7-601);
Central Intelligence Agency retirement and disability system fund (56-3400-0-1-054);
Civil service retirement and disability fund (24-8135-0-7-602);
Comptroller general retirement system (05-0107-0-1-801);
Foreign service retirement and disability fund (19-8186-0-7-602);
Judicial survivors' annuities fund (10-8110-0-7-602);
Longshoremen's and harborworkers' compensation benefits (16-9971-0-7-601);
Military retirement fund (97-8097-0-7-602);
National Oceanic and Atmospheric Administration retirement (13-1450-0-1-306);
Pensions for former Presidents (47-0105-0-1-802);
Railroad retirement tier II (60-8011-0-7-601);
Retired pay, Coast Guard (69-0241-0-403);
Retirement pay and medical benefits for commissioned officers, Public Health Service (75-0379-0-1-351);
Special benefits, Federal Employees' Compensation Act (16-1521-0-1-600);
Special benefits for disabled coal miners (75-0409-0-1-601); and

Tax Court judges survivors annuity fund (23-8115-0-7-602); and

Par. (7). Pub.L. 100-119, § 1020(b)(4), substituted "reduction or cancellation" for "cancellation", struck out reference to obligated balances, and inserted references to new loan guarantee limitations and new direct loan commitments or limitations.

Par. (9). Pub.L. 100-119, § 1020(b)(5), added par. (9).

Par. (10). Pub.L. 100-119, § 106(b), added par. (10).

Par. (11). Pub.L. 100-119, § 1020(b)(6), added par. (11).

Par. (12). Pub.L. 100-119, § 1020(b)(7), added par. (12).

Par. (13). (14). Pub.L. 100-119, § 1020(b)(8), added pars. (13) and (14).

Definition of Terms Used in Balanced Budget and Emergency Deficit Control Act of 1985. Pub.L. 101-163, Title III, § 315, Nov. 21, 1989, 103 Stat. 1006, provided that: "Effective in the case of this Act [Pub.L. 101-163, Nov. 21, 1989, 103 Stat. 1006], and any subsequent Act making appropriations for the Legislative Branch for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 [Public Law 99-177], 1985, 99 Stat. 1038, or any other Act which requires a uniform percentage reduction in accounts in this Act and any subsequent Act making appropriations for the Legislative Branch, the accounts under the general heading 'Senate', and the accounts under the general heading 'House of Representatives', shall each be considered to be one appropriation account and one program, project, and activity."

Modification, Suspension, or Reduction of Benefits Payable Under this Section. Pub.L. 99-509, Title VII, § 7001, Oct. 21, 1986, 100 Stat. 1946, provided that:

"(a) **In general.**—Benefits which are payable in calendar year 1987, 1988, 1989, 1990, or 1991, under programs listed in section 2570(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 [Public Law 99-177] (this section), including any cost-of-living adjustment in such benefits, shall not be subject to modification, suspension, or reduction in such calendar year pursuant to a Presidential order issued under year Act.

"(b) **Definition.**—For purposes of this section, the term 'cost-of-living adjustment' means any

increase or change in the amount of a benefit or in standards relating to such benefit under any provision of Federal law which requires such increase or change as a result of any change in the Consumer Price Index (or any component thereof) or any other index which measures costs, prices, or wages."

Legislative History. For legislative history and purpose of Pub. L. 99-177, see 1985 U.S. Code L. Rev. 593 (1988).

§ 907a. Suspension in the event of war or low growth

(a) **Procedures in the event of a low growth report**

(1) **Trigger.** Whenever CBO issues a low-growth report under section 254(f), the Majority Leader of the House of Representatives may, and the Majority Leader of the Senate shall, introduce a joint resolution (in the form set forth in paragraph (2)) declaring that the conditions specified in section 254(f) are met and suspending the relevant provisions of this title, titles III and VI of the Congressional Budget Act of 1974, and section 1103 of title 31, United States Code.

(2) **Form of joint resolution**

(A) The matter after the resolving clause in any joint resolution introduced pursuant to paragraph (1) shall be as follows: That the Congress declares that the conditions specified in section 254(f) of the Balanced Budget and Emergency Deficit Control Act of 1985 are met, and the implementation of the Congressional Budget and Impoundment Control Act of 1974, chapter 11 of title 31, United States Code, and part C of the Balanced Budget and Emergency Deficit Control Act of 1985 are modified as described in section 258(b) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(B) The title of the joint resolution shall be "Joint resolution suspending certain provisions of law pursuant to section 258(a)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985," and the joint resolution shall not contain any preamble.

(3) **Committee action**

Each joint resolution introduced pursuant to paragraph (1) shall be referred to the appropriate committees of the House of Representatives or the Committee on the Budget of the Senate, as the case may be; and such Committee shall report the joint resolution to its House without amendment on or before the fifth day on which such House is in session after the date on which the joint resolution is introduced. If the Committee fails to report the joint resolution within the five-day period referred to in the preceding sentence, it shall be automatically discharged from further consideration of the joint resolution, and the joint resolution shall be placed on the appropriate calendar.

(4) **Consideration of joint resolution**

(A) A vote on final passage of a joint resolution reported to the Senate or discharged pursuant to paragraph (3) shall be taken on or before the close of the fifth calendar day of session after the date on which the joint resolution is reported or after the Committee has been discharged from further consideration of the joint resolution. If prior to the passage by one House of a joint resolution of that House, that House receives the same joint resolution from the other House, then—

(i) the procedure in that House shall be the same as if no such joint resolution had been received from the other House, but

(ii) the vote on final passage shall be on the joint resolution of the other House.

When the joint resolution is agreed to, the Clerk of the House of Representatives (in the case of a House joint resolution agreed to in the House of Representatives) or the Secretary of the Senate (in the case of a Senate joint resolution agreed to in the Senate) shall cause the joint resolution to be

engrossed, certified, and transmitted to the other House of the Congress as soon as practicable.

(B)(i) In the Senate, a joint resolution under this paragraph shall be privileged. It shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(ii) Debate in the Senate on a joint resolution under this paragraph, and all debatable motions and appeals in connection therewith, shall be limited to not more than five hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(iii) Debate in the Senate on any debatable motion or appeal in connection with a joint resolution under this paragraph shall be limited to not more than one hour, to be equally divided between, and controlled by, the mover and the manager of the joint resolution, except that in the event the manager of the joint resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee.

(iv) A motion in the Senate to further limit debate on a joint resolution under this paragraph is not debatable. A motion to table or to recommit a joint resolution under this paragraph is not in order.

(C) No amendment to a joint resolution considered under this paragraph shall be in order in the Senate.

(b) Suspension of sequestration procedures

Upon the enactment of a declaration of war or a joint resolution described in subsection (a)—

(1) the subsequent issuance of any sequestration report or any sequestration order is precluded;

(2) sections 302(f), 310(d), 311(e), and title VI of the Congressional Budget Act of 1974 are suspended; and

(3) section 1103 of title 31, United States Code, is suspended.

(c) Restoration of sequestration procedures

(1) In the event of a suspension of sequestration procedures due to a declaration of war, then, effective with the first fiscal year that begins in the session after the state of war is concluded by Senate ratification of the necessary treaties, the provisions of subsection (b) triggered by that declaration of war are no longer effective.

(2) In the event of a suspension of sequestration procedures due to the enactment of a joint resolution described in subsection (a), then, effective with regard to the first fiscal year beginning at least 12 months after the enactment of that resolution, the provisions of subsection (b) triggered by that resolution are no longer effective. (Pub.L. 99-177, Title II, § 258, as added Pub.L. 101-508, Title XIII, § 13101(f), Nov. 5, 1990, 104 Stat. 1388-583.)

Effective and Termination Dates of Section

For effective and termination dates of this section by section 975 of Pub.L. 99-177, see Effective and Termination Dates notes set out under section 900 of this title.

Historical and Statutory Notes

References in Text. This "title", referred to in subsec. (a)(X), refers to Pub.L. 99-177, Title II, § 200 et seq., Dec. 12, 1985, 99 Stat. 1038, which enacted this chapter and sections 654, 655, and 656 of this title, amended sections 602, 622, 631 to 642, and 651 to 653 of this title, sections 1104, 1105, 1106, and 1109 of Title 31, Money and Finance, and section 911 of Title 42, The Public Health and Welfare, repealed section 661 of this title, and enacted provisions set out as notes under sections 900 of this title and 911 of Title 42. For complete classification of this Act to the Code, see

Short Title note under section 900 of this title and Tables.

Codification. Section added, by section 13101(f) of Pub.L. 101-508, as added by section 258 of Pub.L. 99-177, without repealing prior existing section 258 of Pub.L. 99-177 as added by section 105(a) of Pub.L. 100-119, which is classified to section 908 of this title, directly resulting in two sections 258 of Pub.L. 99-177.

The Congressional Budget Act of 1974, referred to in subsec. (a)(X) and (b)(2), is Title I through IX of Pub.L. 93-344, July 12, 1974, 88 Stat. 298, as amended. Title III of such Act, referred to in subsec. (a)(X), is classified to subchapter I (section

631 et seq.) of chapter 17A of this title. Title VI of such Act is classified to subchapter IV (sections 654 et seq.) of chapter 17A of this title. Sections 302(f), 310(d), and 311(e) of such Act, referred to in subsec. (b)(2), are classified to section 663(f), 641(f) and 642(a) of this title, respectively. For Cong. and Adm. News, p. 2017.

§ 907b. Modification of presidential order

(a) Introduction of joint resolution

At any time after the Director of OMB issues a final sequestration report under section 904 of this title for a fiscal year, but before the close of the twentieth calendar day of the session of Congress beginning after the date of issuance of such report, the majority leader of either House of Congress may introduce a joint resolution which contains provisions directing the President to modify the most recent order issued under section 904 of this title or to provide an alternative to reduce the deficit for such fiscal year. After the introduction of the first such joint resolution in either House of Congress in any calendar year, then no other joint resolution introduced in such House in such calendar year shall be subject to the procedures set forth in this section.

(b) Procedures for consideration of joint resolutions

(1) Referral to committee

A joint resolution introduced in the Senate under subsection (a) of this section shall not be referred to a committee of the Senate and shall be placed on the calendar pending disposition of such joint resolution in accordance with this subsection.

(2) Consideration in the Senate

On or after the third calendar day (excluding Saturdays, Sundays, and legal holidays) beginning after a joint resolution is introduced under subsection (a) of this section, notwithstanding any rule or precedent of the Senate, including Rule XXII of the Standing Rules of the Senate, it is in order (even though a previous motion to the same effect has been disagreed to) for any Member of the Senate to move to proceed to the consideration of the joint resolution. The motion is not in order after the eighth calendar day (excluding Saturdays, Sundays, and legal holidays) beginning after a joint resolution (to which the motion applies) is introduced. The joint resolution is privileged in the Senate. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint resolution is agreed to, the Senate shall immediately proceed to consideration of the joint resolution without intervening motion, order, or other business, and the joint resolution shall remain the unfinished business of the Senate until disposed of.

(3) Debate in the Senate

(A) In the Senate, debate on a joint resolution introduced under subsection (a) of this section, amendments thereto, and all debatable motions and appeals in connection therewith shall be limited to not more than 10 hours, which shall be divided equally between the majority leader and the minority leader (or their designees).

(B) A motion to postpone, or a motion to proceed to the consideration of other business is not in order. A motion to reconsider the vote by which the joint resolution is agreed to or disagreed to is not in order, and a motion to recommit the joint resolution is not in order.

(C)(i) No amendment that is not germane to the provisions of the joint resolution or to the order issued under section 904 of this title shall be in order in the Senate. In the Senate, an amendment, any amendment to an amendment, or any debatable motion or appeal is debatable for not to exceed 30 minutes (or their designees), except that in the event that the majority leader favors the amendment, motion, or appeal, the minority leader (or the minority leader's designee) shall control the time in opposition to the amendment, motion, or appeal.

(ii) In the Senate, an amendment that is otherwise in order shall be in order notwithstanding the fact that it amends the joint resolution in more than one place or amends language previously amended. It shall not be in order in the Senate to vote on the question of agreeing to such a joint resolution or any amendment thereto unless the figures then contained in such joint resolution or amendment are mathematically consistent.

(4) **Vote on final passage**

Immediately following the conclusion of the debate on a joint resolution introduced under subsection (a) of this section, a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate, and the disposition of any pending amendments under paragraph (3), the vote on final passage of the joint resolution shall occur.

(5) **Appeals**

Appeals from the decisions of the Chair shall be decided without debate.

(6) **Conference reports**

In the Senate, points of order under titles III, IV, and VI of the Congressional Budget Act of 1974 [2 U.S.C.A. §§ 631 et seq., 651 et seq., and 665 et seq.] are applicable to a conference report on the joint resolution or any amendments in disagreement thereto.

(7) **Resolution from other House**

If, before the passage by the Senate of a joint resolution of the Senate introduced under subsection (a) of this section, the Senate receives from the House of Representatives a joint resolution introduced under subsection (a) of this section, then the following procedures shall apply:

(A) The joint resolution of the House of Representatives shall not be referred to a committee and shall be placed on the calendar.

(B) With respect to a joint resolution introduced under subsection (a) of this section in the Senate—

(i) the procedure in the Senate shall be the same as if no joint resolution had been received from the House; but

(ii) the vote on final passage shall be on the joint resolution of the House if it is identical to the joint resolution then pending for passage in the Senate; or

(iii) if the joint resolution from the House is not identical to the joint resolution then pending for passage in the Senate and the Senate then passes the Senate joint resolution, the Senate shall be considered to have passed the House joint resolution as amended by the text of the Senate joint resolution.

(C) Upon disposition of the joint resolution received from the House, it shall no longer be in order to consider the resolution originated in the Senate.

(8) **Senate action on House resolution**

If the Senate receives from the House of Representatives a joint resolution introduced under subsection (a) of this section after the Senate has disposed of a Senate originated resolution which is identical to the House passed joint resolution, the action of the Senate with regard to the disposition of the Senate originated joint resolution shall be deemed to be the action of the Senate with regard to the House originated joint resolution. If it is not identical to the House passed joint resolution, then the Senate shall be considered to have passed the joint resolution of the House as amended by the text of the Senate joint resolution.

(Pub.L. 99-177, Title II, § 258A, as added Pub.L. 101-508, Title XIII, § 13101(f), Nov. 5, 1990, 104 Stat. 1388-595.)

Effective and Termination Dates of Section

For effective and termination dates of this section by section 275 of Pub.L. 99-177, see *Effective and Termination Dates* notes set out under section 900 of this title.

Historical and Statutory Notes

References in Text. The Congressional Budget Act of 1974, referred to in subsec. (b)(6), is Titles I through IX of Pub.L. 93-344, July 12, 1974, 88 Stat. 298, as amended. Title III of such Act is classified to subchapter I (section 631 et seq.) of chapter 17A of this title. Title IV of such Act is classified to subchapter II (section 651 et seq.) of chapter 17A of this title. Title VI of such Act is classified to subchapter IV (section 665 et seq.) of chapter 17A of this title. For legislative history and purpose of Pub.L. 101-508, see 1990 U.S. Code Cong. and Adm. News, p. 2017.

§ 907c. Flexibility among defense programs, projects, and activities

(a) **Reductions beyond amount specified in presidential order**

Subject to subsections (b), (c), and (d) of this section, new budget authority and unobligated balances for any programs, projects, or activities within major functional category 050 (other than a military personnel account) may be further reduced beyond the amount specified in an order issued by the President under section 904 of this title for such fiscal year. To the extent such additional reductions are made and result in additional outlay reductions, the President may provide for lesser reductions in new budget authority and unobligated balances for other programs, projects, or activities within major functional category 050 for such fiscal year, but only to the extent that the resulting outlay increases do not exceed the additional outlay reductions, and no such program, project, or activity may be increased above the level actually made available by law in appropriation Acts (before taking sequestration into account). In making calculations under this subsection, the President shall use account outlay rates that are identical to those used in the report by the Director of OMB under section 904 of this title.

(b) **Base closures prohibited**

No actions taken by the President under subsection (a) of this section for a fiscal year may result in a domestic base closure or realignment that would otherwise be subject to section 2687 of Title 10.

(c) **Report and joint resolution required**

The President may not exercise the authority provided by this paragraph ¹ for a fiscal year unless—

(1) the President submits a single report to Congress specifying, for each account, the detailed changes proposed to be made for such fiscal year pursuant to this section;

(2) that report is submitted within 5 calendar days of the start of the next session of Congress; and

(3) a joint resolution affirming or modifying the changes proposed by the President pursuant to this paragraph ¹ becomes law.

(d) **Introduction of joint resolution**

Within 5 calendar days of session after the President submits a report to Congress under subsection (c)(1) of this section for a fiscal year, the majority leader of each House of Congress shall (by request) introduce a joint resolution which contains provisions affirming the changes proposed by the President pursuant to this paragraph ¹.

(e) **Form and title of joint resolution**

(1) The matter after the resolving clause in any joint resolution introduced pursuant to subsection (d) of this section shall be as follows: "That the report of the President as submitted on [Insert Date] under section 258B is hereby approved."

(2) The title of the joint resolution shall be "Joint resolution approving the report of the President submitted under section 258B of the Balanced Budget and Emergency Deficit Control Act of 1985."

(3) Such joint resolution shall not contain any preamble.

(f) **Calendar and consideration of joint resolution in the Senate**

(1) A joint resolution introduced in the Senate under subsection (d) of this section shall be referred to the Committee on Appropriations, and if not reported within 5

calendar days (excluding Saturdays, Sundays, and legal holidays) from the date of introduction shall be considered as having been discharged therefrom and shall be placed on the appropriate calendar pending disposition of such joint resolution in accordance with this subsection. In the Senate, no amendment proposed in the Committee on Appropriations shall be in order other than an amendment (in the nature of a substitute) that is germane or relevant to the provisions of the joint resolution or to the order issued under section 904 of this title. For purposes of this paragraph, an amendment shall be considered to be relevant if it relates to function 050 (national defense).

(2) On or after the third calendar day (excluding Saturdays, Sundays, and legal holidays) beginning after a joint resolution is placed on the Senate calendar, notwithstanding any rule or precedent of the Senate, including Rule XXII of the Standing Rules of the Senate, it is in order (even though a previous motion to the same effect has been disagreed to) for any Member of the Senate to move to proceed to the consideration of the joint resolution. The motion is not in order after the eighth calendar day (excluding Saturdays, Sundays, and legal holidays) beginning after such joint resolution is placed on the appropriate calendar. The motion is not debatable. The joint resolution is privileged in the Senate. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint resolution is agreed to, the Senate shall immediately proceed to consideration of the joint resolution without intervening motion, order, or other business, and the joint resolution shall remain the unfinished business of the Senate until disposed of.

(g) **Debate of joint resolution: motions**

(1) In the Senate, debate on a joint resolution introduced under subsection (d) of this section, amendments thereto, and all debatable motions and appeals in connection therewith shall be limited to not more than 10 hours, which shall be divided equally between the majority leader and the minority leader (or their designees).

(2) A motion to postpone, or a motion to proceed to the consideration of other business is not in order. A motion to reconsider the vote by which the joint resolution is agreed to or disagreed to is not in order. In the Senate, a motion to recommit the joint resolution is not in order.

(h) **Amendment of joint resolution**

(1) No amendment that is not germane or relevant to the provisions of the joint resolution or to the order issued under section 904 of this title shall be in order in the Senate. For purposes of this paragraph, an amendment shall be considered to be relevant if it relates to function 050 (national defense). In the Senate, an amendment, any amendment to an amendment, or any debatable motion or appeal is debatable for not to exceed 30 minutes to be equally divided between, and controlled by, the mover and the majority leader (or their designees), except that in the event that the majority leader favors the amendment, motion, or appeal, the minority leader (or the minority leader's designee) shall control the time in opposition to the amendment, motion, or appeal.

(2) In the Senate, an amendment that is otherwise in order shall be in order notwithstanding the fact that it amends the joint resolution in more than one place or amends language previously amended, so long as the amendment makes or maintains mathematical consistency. It shall not be in order in the Senate to vote on the question of agreeing to such a joint resolution or any amendment thereto unless the figures then contained in such joint resolution or amendment are mathematically consistent.

(3) It shall not be in order in the Senate to consider any amendment to any joint resolution introduced under subsection (d) of this section or any conference report thereon if such amendment or conference report would have the effect of decreasing any specific budget outlay, reductions below the level of such outlay, reductions provided in such joint resolution unless such amendment or conference report makes a reduction in other specific budget outlays at least equivalent to any increase in outlays provided by such amendment or conference report.

(4) For purposes of the application of paragraph (3), the level of outlays and specific budget outlay reductions provided in an amendment shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

(i) **Vote on final passage of joint resolution**

Immediately following the conclusion of the debate on a joint resolution introduced under subsection (d) of this section, a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate, and the disposition of any pending amendments under subsection (h) of this section, the vote on final passage of the joint resolution shall occur.

(j) **Appeal from decision of Chair**

Appeals from the decisions of the Chair relating to the application of the rules of the Senate to the procedure relating to a joint resolution described in subsection (d) of this section shall be decided without debate.

(k) **Conference reports**

In the Senate, points of order under titles III [2 U.S.C.A. § 631 et seq.] and IV [2 U.S.C.A. § 651 et seq.] of the Congressional Budget Act of 1974 (including points of order under sections 302(c) [2 U.S.C.A. § 633(c)], 303(a) [2 U.S.C.A. § 634(a)], 306 [2 U.S.C.A. § 637], and 401(b)(1) [2 U.S.C.A. § 651(b)(1)]) are applicable to a conference report on the joint resolution or any amendments in disagreement thereto.

(l) **Resolution from other house**

If, before the passage by the Senate of a joint resolution of the Senate introduced under subsection (d) of this section, the Senate receives from the House of Representatives a joint resolution introduced under subsection (d) of this section, then the following procedures shall apply:

(1) The joint resolution of the House of Representatives shall not be referred to a committee.

(2) With respect to a joint resolution introduced under subsection (d) of this section in the Senate—

(A) the procedure in the Senate shall be the same as if no joint resolution had been received from the House; but

(B)(i) the vote on final passage shall be on the joint resolution of the House if it is identical to the joint resolution then pending for passage in the Senate; or

(ii) if the joint resolution from the House is not identical to the joint resolution then pending for passage in the Senate and the Senate then passes the Senate joint resolution, the Senate shall be considered to have passed the House joint resolution as amended by the text of the Senate joint resolution.

(3) Upon disposition of the joint resolution received from the House, it shall no longer be in order to consider the joint resolution originated in the Senate.

(m) **Senate action on House resolution**

If the Senate receives from the House of Representatives a joint resolution introduced under subsection (d) of this section after the Senate has disposed of a Senate originated joint resolution which is identical to the House passed joint resolution, the action of the Senate with regard to the disposition of the Senate originated joint resolution shall be deemed to be the action of the Senate with regard to the House originated joint resolution. If it is not identical to the House passed joint resolution, then the Senate shall be considered to have passed the joint resolution of the House as amended by the text of the Senate joint resolution. (Pub.L. 99-177, Title II, § 253B, as added Pub.L. 101-508, Title XIII, § 13101(g), Nov. 5, 1990, 104 Stat. 1388-597.)

1 So in original. Probably should read "this section".

Effective and Termination Dates of Section

For effective and termination dates of this section by section 275 of Pub.L. 99-177, see Effective and Termination Dates notes set out under section 900 of this title.

REVISIONS AND STATUTORY NOTES

References in Text. The Congressional Budget Act of 1974, referred to in subsec. (b)(2) and (6), is titles I through IX of Pub.L. 93-344, July 12, 1974, 88 Stat. 298, as amended. Title III of this Act is classified to subchapter I (section 631 et seq.) of chapter 17A of this title. Title IV of the Act is classified to subchapter II (section 651 et seq.) of chapter 17A of this title. Sections 302(c), 303(a), 306, and 401(b)(1) of the Act are classified to sections 633(c), 634(a), 637 and 651(b)(1) of this title, respectively. For complete classification of this Act to the Code, see Short Title note set out under section 621 of this title and Tables. **Legislative History.** For legislative history and purpose of Pub.L. 101-508, see 1990 U.S. Code Cong. and Adm. News, p. 2017.

§ 907d. Special reconciliation process

(a) Reporting of resolutions and reconciliation bills and resolutions, in the Senate

(1) Committee alternatives to presidential order

After the submission of an OMB sequestration update report under section 904 of this title that envisions a sequestration under section 902 of this title or October 10, submit to the Committee on the Budget of the Senate information of the type described in section 632(d) of this title with respect to alternatives to the order envisioned by such report insofar as such order affects laws within the jurisdiction of the committee.

(2) Initial budget committee action

After the submission of such a report, the Committee on the Budget of the Senate may, not later than October 15, report to the Senate a resolution. The resolution may affirm the impact of the order envisioned by such report, in whole or in part. To the extent that any part is not affirmed, the resolution shall state which parts are not affirmed and shall contain instructions to committees of the Senate of the type referred to in section 641(a) of this title, sections which are not affirmed.

(3) Response of committees

Committees instructed pursuant to paragraph (2), or affected thereby, shall submit their responses to the Budget Committee no later than 10 days after the resolution referred to in paragraph (2) is agreed to, except that if only one such Committee is so instructed such Committee shall, by the same date, report to the Senate a reconciliation bill or reconciliation resolution containing its recommendations in response to such instructions. A committee shall be considered to have complied with all instructions to it pursuant to a resolution adopted under paragraph (2) if it has made recommendations with respect to matters within its jurisdiction which would result in a reduction in the deficit at least equal to the total reduction directed by such instructions.

(4) Budget committee action

Upon receipt of the recommendations received in response to a resolution referred to in paragraph (2), the Budget Committee shall report to the Senate a reconciliation bill or reconciliation resolution, or both, carrying out all such committee instructions without any substantive revisions. In the event that a committee instructed in a resolution referred to in paragraph (2) fails to submit any recommendation (or, when only one committee is instructed, fails to report a reconciliation bill or resolution) in response to such instructions, the Budget Committee shall include in the reconciliation bill or reconciliation resolution reported pursuant to this subparagraph legislative language within the jurisdiction of the noncomplying committee to achieve the amount of deficit reduction directed in such instructions.

(5) Point of order

It shall not be in order in the Senate to consider any reconciliation bill or reconciliation resolution reported under paragraph (4) with respect to a fiscal year, any amendment thereto, or any conference report thereon if—

(A) the enactment of such bill or resolution as reported;

(B) the adoption and enactment of such amendment, or

(C) the enactment of such bill or resolution in the form recommended in such conference report,

would cause the amount of the deficit for such fiscal year to exceed the maximum deficit amount for such fiscal year, unless the low-growth report submitted under section 904 of this title projects negative real economic growth for such fiscal year, or for each of any two consecutive quarters during such fiscal year.

(6) Treatment of certain amendments

In the Senate, an amendment which adds to a resolution reported under paragraph (2) an instruction of the type referred to in such paragraph shall be in order during the consideration of such resolution if such amendment would be in order but for the fact that it would be held to be non-germane on the basis that the instruction constitutes new matter.

(7) Definition

For purposes of paragraphs (1), (2), and (3), the term "day" shall mean any calendar day on which the Senate is in session.

(b) Procedures

(1) In general

Except as provided in paragraph (2), in the Senate the provisions of sections 636 and 641 of this title for the consideration of concurrent resolutions on the budget and conference reports thereon shall also apply to the consideration of resolutions, and reconciliation bills and reconciliation resolutions reported under this paragraph and conference reports thereon.

(2) Limit on debate

Debate in the Senate on any resolution reported pursuant to subsection (a)(2) of this section, and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to 10 hours.

(3) Limitation on amendments

Section 636(d)(2) of this title shall apply to reconciliation bills and reconciliation resolutions reported under this subsection.

(4) Bills and resolutions received from the House

Any bill or resolution received in the Senate from the House, which is a companion to a reconciliation bill or reconciliation resolution of the Senate for the purposes of this subsection, shall be considered in the Senate pursuant to the provisions of this subsection.

(5) Definition

For purposes of this subsection, the term "resolution" means a simple, joint, or concurrent resolution.

(Pub.L. 98-177, Title II, § 258C, as added Pub.L. 101-508, Title XIII, § 13101(g), Nov. 5, 1990, 104 Stat. 1388-602.)

Effective and Termination Dates of Section

For effective and termination dates of this section by section 275 of Pub.L. 99-177, see *Effective and Termination Dates* notes set out under section 900 of this title.

Historical and Statutory Notes

Legislative History. For legislative history and purpose of Pub.L. 101-508, see 1990 U.S. Code Cong. and Adm. News, p. 2017.

§ 908. Modification of Presidential order

(a) Introduction of joint resolution

At any time after the Director of OMB issues a report under section 901(c)(2) of this title for a fiscal year, but before the close of the tenth calendar day of session in

that session of Congress beginning after the date of issuance of such report, the majority leader of either House of Congress may introduce a joint resolution which contains provisions directing the President to modify the most recent order issued under section 902 of this title for such fiscal year. After the introduction of the first such joint resolution in either House of Congress in any calendar year, then no other joint resolution introduced in such House in such calendar year shall be subject to the procedures set forth in this section.

(b) Procedures for consideration of joint resolutions

(1) No referral to committee

A joint resolution introduced in the Senate or the House of Representatives under subsection (a) of this section shall not be referred to a committee of the Senate or the House of Representatives, as the case may be, and shall be placed on the appropriate calendar pending disposition of such joint resolution in accordance with this subsection.

(2) Immediate consideration

On or after the third calendar day (excluding Saturdays, Sundays, and legal holidays) beginning after a joint resolution is introduced under subsection (a) of this section, notwithstanding any rule or precedent of the Senate, including Rule 22 of the Standing Rules of the Senate, it is in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived, except for points of order under titles III [2 U.S.C.A. § 631 et seq.] or IV [2 U.S.C.A. § 651 et seq.] of the Congressional Budget Act of 1974. The motion is not in order after the eighth calendar day (excluding Saturdays, Sundays, and legal holidays) beginning after a joint resolution (to which the motion applies) is introduced. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint resolution is agreed to, the respective House shall immediately proceed to consideration of the joint resolution without intervening motion, order, or other business, and the joint resolution shall remain the unfinished business of the respective House until disposed of.

(3) Debate

(A) In the Senate, debate on a joint resolution introduced under subsection (a) of this section, amendments thereto, and all debatable motions and appeals in connection therewith shall be limited to not more than 10 hours, which shall be divided equally between the majority leader and the minority leader (or their designees). In the House, general debate on a joint resolution introduced under subsection (a) of this section shall be limited to not more than 4 hours which shall be equally divided between the majority and minority leaders.

(B) A motion to postpone, or a motion to proceed to the consideration of other business is not in order. A motion to reconsider the vote by which the joint resolution is agreed to or disagreed to is not in order. In the Senate, a motion to reconsider the joint resolution is not in order. In the House, a motion further to limit debate is in order and not debatable. In the House, a motion to reconsider is in order.

(C)(i) In the House of Representatives, an amendment and any amendment thereto is debatable for not to exceed 30 minutes to be equally divided between the proponent of the amendment and a Member opposed thereto.

(ii) No amendment that is not germane or relevant to the provisions of the joint resolution or to the order issued under section 902(b)(1) of this title shall be in order in the Senate. In the Senate, an amendment, any amendment to an amendment, or any debatable motion or appeal is debatable for not to exceed 30 minutes to be equally divided between the majority leader and the minority leader (or their designees).

(11) In the Senate, all amendments, orders, resolutions, and motions shall be in order, notwithstanding the fact that it amends the joint resolution in more than one place or amends language previously amended. It shall not be in order in the Senate to vote on the question of agreeing to such a joint resolution or any amendment thereto unless the figures then contained in such joint resolution or amendment are mathematically consistent.

(4) Vote on final passage

Immediately following the conclusion of the debate on a joint resolution introduced under subsection (a) of this section, a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, and the disposition of any amendments under paragraph (3) (except for the motion to reconsider in the House of Representatives), the vote on final passage of the joint resolution shall occur.

(5) Appeals

Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a joint resolution described in subsection (a) of this section shall be decided without debate.

(6) Conference reports

In the Senate, points of order under titles III [2 U.S.C.A. § 631 et seq.] and IV [2 U.S.C.A. § 651 et seq.] of the Congressional Budget Act of 1974 (including points of order under sections 302(c) [2 U.S.C.A. § 633(c)], 303(a) [2 U.S.C.A. § 634(a)], 306 [2 U.S.C.A. § 637], and 401(b)(1) [2 U.S.C.A. § 651(b)(1)]) are applicable to a conference report on the joint resolution or any amendments in disagreement thereto.

(7) Resolution from other house

If, before the passage by the Senate of a joint resolution of the Senate introduced under subsection (a) of this section, the Senate receives from the House of Representatives a joint resolution introduced under subsection (a), of this section, then the following procedures shall apply:

(A) The joint resolution of the House of Representatives shall not be referred to a committee.

(B) With respect to a joint resolution introduced under subsection (a) of this section in the Senate—

(i) the procedure in the Senate shall be the same as if no joint resolution had been received from the House; but

(ii) the vote on final passage shall be on the joint resolution of the House if it is identical to the joint resolution then pending for passage in the Senate; or

(iii) if the joint resolution from the House is not identical to the joint resolution then pending for passage in the Senate and the Senate then passes it, the Senate shall be considered to have passed the joint resolution as amended by the text of the Senate joint resolution.

(C) Upon disposition of the joint resolution received from the House, it shall no longer be in order to consider the resolution originated in the Senate.

(8) Senate action on House resolution

If the Senate receives from the House of Representatives a joint resolution introduced under subsection (a) of this section after the Senate has disposed of a Senate originated resolution which is identical to the House passed joint resolution, the action of the Senate with regard to the disposition of the Senate originated joint resolution shall be deemed to be the action of the Senate with regard to the House originated joint resolution. If it is not identical to the House passed joint resolution, then the Senate shall be considered to have

Public Law 99-177, Title II, § 258, as added Public Law 100-119, Title I, § 105(a), Sept. 29, 1987, 101 Stat. 778.)

Joint Resolution.

Effective and Termination Dates of Section

For effective and termination dates of this section by section 275 of Public Law 99-177, see Effective and Termination Dates notes set out under section 900 of this title.

Historical and Statutory Notes

References in Text. The Congressional Budget Act of 1974, referred to in subsec. (b)(2) and (6), is titles I through IX of Public Law 93-344, July 12, 1974, 88 Stat. 358, as amended. Title III of this Act is classified to subchapter I (§ 631 et seq.) of chapter I of this title. Title IV of the Act is classified to subchapter II (§ 651 et seq.) of chapter I of this title. Sections 302(a), 303(a), 306, and 401(b)(1) of the Act are classified to sections 633(c), 634(a), 637 and 631(b)(1) of this title.

§ 909. Repealed. Public Law 101-508, Title XIII, § 13212, Nov. 5, 1990, 104 Stat. 1388-621

Historical and Statutory Notes

Section, Public Law 99-177, Title II, § 202, Sept. 29, 1987, 101 Stat. 784, prohibited counting as

savings transfer of government actions from one year to another.

SUBCHAPTER II—OPERATION AND REVIEW

§ 921. Redesignated § 601(g)

Historical and Statutory Notes

Codification. Section, Public Law 99-177, Title II, § 273, Dec. 12, 1985, 99 Stat. 1098, was transferred to subsec. (g) of section 601 of this title.

§ 922. Judicial review

(a) Expedited review

(1) Any Member of Congress may bring an action, in the United States District Court for the District of Columbia, for declaratory judgment and injunctive relief on the ground that any order that might be issued pursuant to section 902 of this title violates the Constitution.

(2) Any Member of Congress, or any other person adversely affected by any action taken under this title, may bring an action, in the United States District Court for the District of Columbia, for declaratory judgment and injunctive relief concerning the constitutionality of this title.

(3) Any Member of Congress may bring an action, in the United States District Court for the District of Columbia, for declaratory and injunctive relief on the ground that the terms of an order issued under section 902 of this title do not comply with the requirements of this title.

(4) A copy of any complaint in an action brought under paragraph (1), (2), or (3) shall be promptly delivered to the Secretary of the Senate and the Clerk of the House of Representatives, and each House of Congress shall have the right to intervene in such action.

(5) Any action brought under paragraph (1), (2), or (3) shall be heard and determined by a three-judge court in accordance with section 2284 of Title 28. Nothing in this section or in any other law shall infringe upon the right of the House of Representatives to intervene in an action brought under paragraph (1), (2), or (3) without the necessity of adopting a resolution to authorize such intervention.

Notwithstanding any other provision of law, any order of the United States District Court for the District of Columbia which is issued pursuant to an action brought under paragraph (1), (2), or (3) of subsection (a) of this section shall be reviewable by appeal directly to the Supreme Court of the United States. Any such appeal shall be taken by a notice of appeal filed within 10 days after such order is entered, and the jurisdictional statement shall be filed within 30 days after such order is entered. No stay of an order issued pursuant to an action brought under paragraph (1), (2), or (3) of subsection (a) of this section shall be issued by a single Justice of the Supreme Court.

(c) Expedited consideration

It shall be the duty of the District Court for the District of Columbia and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter brought under subsection (a) of this section.

(d) Noncompliance with sequestration procedures

(1) If it is finally determined by a court of competent jurisdiction that an order issued by the President under section 902(b) of this title for any fiscal year—

(A) does not reduce automatic spending increases under any program specified in section 907(1) of this title to the extent that such increases are required to be reduced by subchapter I of this chapter (or reduces such increases by a greater extent than is so required),

(B) does not sequester the amount of new budget authority, new loan guarantee commitments, new direct loan obligations, or spending authority which is required to be sequestered by such subchapter (or sequesters more than that amount) with respect to any program, project, activity, or account, or

(C) does not reduce obligation limitations by the amount by which such limitations are required to be reduced under such subchapter (or reduces such limitations by more than that amount) with respect to any program, project, activity, or account,

the President shall, within 20 days after such determination is made, revise the order in accordance with such determination.

(2) If the order issued by the President under section 902(b) of this title for any fiscal year—

(A) does not reduce any automatic spending increase to the extent that such increase is required to be reduced by subchapter I of this chapter,

(B) does not sequester any amount of new budget authority, new loan guarantee commitments, new direct loan obligations, or spending authority which is required to be sequestered by such subchapter, or

(C) does not reduce any obligation limitation by the amount by which such limitation is required to be reduced under such subchapter,

on the claim or defense that the constitutional powers of the President prevent such sequestration or reduction or permit the avoidance of such sequestration or reduction, and such claim or defense is finally determined by the Supreme Court of the United States to be valid, then the entire order issued pursuant to section 902(b) of this title for such fiscal year shall be null and void.

(e) Timing of relief

No order of any court granting declaratory or injunctive relief from the order of the President issued under section 902 of this title, including but not limited to relief permitting or requiring the expenditure of funds sequestered by such order, shall take effect during the pendency of the action before such court, during the time appeal may be taken, or, if appeal is taken, during the period before the court to which such appeal is taken has entered its final order disposing of such action.

(f) Alternative procedures for the joint reports of the Directors

(1) In the event that any of the reporting procedures described in section 901 of this title are invalidated, then any report of the Director of CBO under section

established under this subsection.

(2) Upon the invalidation of any such procedure there is established a Temporary Joint Committee on Deficit Reduction, composed of the entire membership of the Budget Committees of the House of Representatives and the Senate. The Chairman of these two committees shall act as Co-Chairman of the Joint Committee. Actions taken by the Joint Committee shall be determined by the majority vote of the members representing each House. The purposes of the Joint Committee are to receive the reports of the Director of CBO as described in paragraph (1), and to report (with respect to each such report of the Director of CBO) a joint resolution as described in paragraph (3).

(3) No later than 5 days after the receipt of a report of the Director of CBO in accordance with paragraph (1), the Joint Committee shall report to the House of Representatives and the Senate a joint resolution setting forth the contents of the report of the Director of CBO.

(4) The provisions relating to the consideration of a joint resolution under section 904(a)(4) of this title shall apply to the consideration of a joint resolution reported pursuant to this subsection in the House of Representatives and the Senate, except that debate in each House shall be limited to two hours.

(5) Upon its enactment, the joint resolution shall be deemed to be the report received by the President under section 901(a)(2)(B) or (c)(2) of this title (whichever is applicable).

(f) Preservation of other rights

The rights created by this section are in addition to the rights of any person under law, subject to subsection (e) of this section.

(h) Economic data and assumptions

The economic data and economic assumptions used by the Director of OMB in computing the base levels of total revenues and total budget outlays, as specified in any report issued by the Director of OMB under section 901(a)(2)(B) or (c)(2) of this title, shall not be subject to review in any judicial or administrative proceeding. (Pub. L. 99-177, Title II, § 274, Dec. 12, 1986, 99 Stat. 1086, amended Pub. L. 100-119, Title I, § 102(b)(9), (10), Sept. 25, 1987, 101 Stat. 774, 775.)

Historical and Statutory Notes

References in Text. This "title" referred to in subsec. (a)(2) and in the phrase "requirements of this title" in subsec. (a)(3), refers to Pub. L. 99-177, Title II, § 200 et seq., Dec. 12, 1986, 99 Stat. 1038, which enacted this chapter and sections 654, 655, and 656 of this title, amended sections 602, 622, 631 to 642, and 651 to 653 of this title, sections 1104, 1105, 1106, and 1109 of Title 31, Money and Finance, and section 911 of Title 42, The Public Health and Welfare, repealed section 661 of this title, and enacted provisions set out as notes under sections 901 of this title and 911 of Title 42. For complete classification of such title to the Code, see Short Title note under section 901 of this title and Tables.

1987 Amendment. Subsec. (f)(1). Pub. L. 100-119, § 102(b)(9)(A), substituted "Director of CBO" for "Director of this title" for "Directors referred to in section 901(e) or (c)(1) of this title".

Subsec. (f)(2). Pub. L. 100-119, § 102(b)(9)(B), substituted "Director of CBO" for "Directors".

Subsec. (f)(3). Pub. L. 100-119, § 102(b)(9)(B), substituted "Director of CBO" for "Directors".

Subsec. (f)(5). Pub. L. 100-119, § 102(b)(9)(C), substituted "section 901(a)(2)(B) or (c)(2)" for "section 901(b) or (c)(2)".

Library References

United States—§ 82(1), (7).
C.J.S. United States § 172.

Notes of Decisions

Delegation of power 1
Persons entitled to maintain action 2

1. Delegation of power

Preclusion of judicial review of methods of computation used by Comptroller General under deficit reduction law in computing base levels of total revenues and budget outlays did not render the law an unconstitutional delegation of powers since judicial review is not essential to sustain an administrative determination since review of almost all administrative determinations remained available. *Snyder v. U.S.*, D.D.C. 1986, 626 F.Supp. 1374, affirmed 106 S.Ct. 3181, 478 U.S. 714, 92 L.Ed.2d 583.

2. Persons entitled to maintain action

Likelihood of permanent reduction or cancellation of cost-of-living increases in Federal retirement annuities as a result of future legislation authorizing presidential sequestration order under "full back deficit reduction process" of Gramm-Rudman-Hollings Act was not real and immediate injury and was insufficient to confer Article III standing upon government employees' union or recipients of Federal annuities. *American Federation of Government Employees v. U.S.*, D.D.C. 1986, 634 F.Supp. 336, affirmed 107 S.Ct. 43, 479 U.S. 801, 93 L.Ed.2d 6.

CHAPTER 21—CIVIC ACHIEVEMENT AWARD PROGRAM IN HONOR OF THE OFFICE OF SPEAKER OF THE HOUSE OF REPRESENTATIVES

Sec.
1001 to 1004. Repealed.

§ 1001. Repealed. Pub. L. 101-483, Oct. 31, 1990, 104 Stat. 1166

Historical and Statutory Notes

Section 1001, Pub. L. 100-518, § 1, Nov. 9, 1987, 101 Stat. 686, related to support for Civic Achievement Award Program in Honor of the Office of Speaker of the House of Representatives. Congressional Statement of Findings. Preamble of Pub. L. 100-518, which provided that the

continuing strength and vitality of American democratic traditions depend on the civic awareness of future generations and the appropriateness of supporting a national civic achievement award program for students, classes, and schools, was repealed by Pub. L. 101-483, Oct. 31, 1990, 104 Stat. 1166.

§§ 1002 to 1004. Repealed. Pub. L. 101-483, Oct. 31, 1990, 104 Stat. 1166

Historical and Statutory Notes

Section 1002, Pub. L. 100-158, § 2, Nov. 9, 1987, 101 Stat. 697, amended Pub. L. 101-118, § 2, 3, Oct. 17, 1989, 103 Stat. 698, related to a description of the Civic Award Program in Honor of the Office of the Speaker of the House of Representatives conducted by the Close Up Foundation to inspire learning and recognize achievement in civic literacy by students throughout the Nation.

Section 1003, Pub. L. 100-158, § 3, Nov. 9, 1987, 101 Stat. 697, related to audit and reporting requirements of the Civic Achievement Award Program in Honor of the Office of the speaker of the House of Representatives.

Section 1004, 100-158, § 4, Nov. 9, 1987, 101 Stat. 698, amended Pub. L. 101-118, § 1, Oct. 17, 1989, 103 Stat. 698, related to the authorization of appropriations in support of the Civic Achievement Award Program in Honor of the Office of the speaker of the House of Representatives.

CHAPTER 22—JOHN C. STENNIS CENTER FOR PUBLIC SERVICE TRAINING AND DEVELOPMENT ACT

Sec.
1101. Congressional findings.
1102. Definitions.
1103. Establishment of the John C. Stennis Center for Public Service Training and Development.

Sec.
1105. John C. Stennis Center for Public Service Development Trust Fund.
1106. Expenditures and audit of trust fund.
1107. Executive Director of Center.
1108. Appointment by Board.
1109. Annual Report.
1110. Appropriations.

(a) Establishment.
(b) Board of Trustees.
(c) Term of Office.
(d) Travel and Subsistence Pay.
(e) Location of Center.
(f) Purposes and authority of the Center.
(g) Authority of Center.
(h) Program Priorities.
(i) John C. Stennis Center for Public Service Development Trust Fund.

(a) In General.
(b) Audit by GAO.
(c) Appointment by Board.
(d) Administrative provisions.
(e) In General.
(f) Annual Report.
(g) Appropriations.

1105. John C. Stennis Center for Public Service Development Trust Fund.
(a) Establishment of Fund.
(b) Board of Trustees.
(c) Term of Office.
(d) Travel and Subsistence Pay.
(e) Location of Center.
(f) Purposes and authority of the Center.
(g) Authority of Center.
(h) Program Priorities.
(i) John C. Stennis Center for Public Service Development Trust Fund.

(a) In General.
(b) Audit by GAO.
(c) Appointment by Board.
(d) Administrative provisions.
(e) In General.
(f) Annual Report.
(g) Appropriations.